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23 December 1985

SOUTHEAST ASIA REPORT

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AUSTRALIA

HAYDEN COMMENTS ON TIES WITH U.S., NEW ZEALAND

BK031219 Melbourne Overseas Service in English 0710 GMT 3 Dec 85

[From the "International Report" moderated by Sue McAlister]

[Text] New Zealand's deputy prime minister, Mr Geoffrey Palmer, is expected to arrive in Australia tomorrow to outline his government's antinuclear legislation. The Labor government in Wellington plans to introduce the legislation next year to ban nuclear ships from its ports. But if Mr Palmer is expecting much sympathy from the Australian Labor Government he is likely to be disappointed. Australian Foreign Minister Mr Bill Hayden has already told the parliament of his government's commitment to its alliance with the United States.

Here is John Lombard from Canberra:

[Begin recording] [Lombard] New Zealand is becoming increasingly isolated over its determination to legislate to entrench its antinuclear ships policy. The Americans have already said they do not want to know about it. As far as Washington is concerned the New Zealand decision to ban nuclear ships from its ports contravenes the ANZUS defense alliance which links Australia, New Zealand, and the United States. So the Americans have stopped cooperating with New Zealand, and that means they have stopped sharing intelligence.

But the snub goes deeper. When an American envoy was sent by President Reagan last week to brief his Pacific allies about the Geneva summit with the Soviet leader, Mikhail Gorbachev, New Zealand was left off the itinerary. When New Zealand offered to send Deputy Prime Minister Geoffrey Palmer to Washington to brief the United States about details of its planned legislation, the American administration said it would be happy to learn about it through normal diplomatic channels.

The Australian Government has some difficulties. There are fraternal links; both Canberra and Wellington have Labor governments, and Prime Minister Bob Hawke was given much support by Prime Minister David Lange when the Australian leader put forward a treaty for a South Pacific nuclear-free zone to the South Pacific Forum. But this is a message the foreign minister, Mr Hayden, has for Mr Palmer:

[Hayden] Let there be no ambiguity about the government's attitude on this point. Our commitment to Australia's alliance with the United States is strong and deep. In reaffirming this commitment we have the support of the Australian people for there is a profound and widespread feeling for the United States in this country which goes beyond the normal calculations of common interests.

[Lombard] As My Hayden says, Australia is jumping with the United States as far as its dispute goes with New Zealand. The Australian Government acknowledges the serious implications of the disagreement. But Canberra, Labor government or not, firmly opposes Wellington's policy. Both Mr Hawke and Mr Hayden have gone to some length to reassure the Americans of Australia's continued support for ANZUS. And as Mr Hayden makes clear, Australia is not happy with the breakdown of relations between New Zealand and the United States.

[Hayden] We continue to hope that the United States and New Zealand can find a way out of the problem that has arisen between them, and a full trilateral cooperation under ANZUS will be restored at an early date. We will continue to make whatever constructive contribution we can to encourage this result, and at any and every event to ensure our two-way commitments to and with United States remain fully operable and in force.

[Lombard] Mr Hayden. Mr Palmer will get a polite hearing in Canberra for the next few days, but that is all. This is John Lombard for International Report. [End recording]

/6662

CSO: 4200/357

AUSTRALIA

HOUSE INFORMED OF SECURITY, INTELLIGENCE OPERATIONS

BK050813 Melbourne Overseas Service in English 0710 GMT 5 Dec 85

[Text] The Australian Security Intelligence Organization, ASIO, has warned of attempts by foreign intelligence agencies to cultivate people in Australia. The warning by ASIO, Australia's domestic intelligence service, came in an annual report tabled in the federal parliament today. The report also said that ASIO was having difficulty recruiting agents of its own to operate within ethnic communities. (David Key) reports:

[Begin (Key) recording] ASIO says its study of hostile intelligence services operating in Australia has enabled it to identify a number of people being cultivated possibly as a prelude to a recruitment attempt. In only some cases, ASIO says, was it able to advise the person concerned and neutralize the opportunity for exploitation. ASIO has further reported during the year there were cases where individuals volunteered information possibly of security interest to foreign embassies. Again, some of these cases were resolved, but in others, investigations are continuing.

ASIO tries to forewarn the government of acts of politically motivated violence, and here it reports an unsatisfactory result for the year. ASIO said it tried to improve its coverage but was hindered by the clandestine nature of the targets and the difficulty of recruiting agents and linguists to operate in some of Australia's ethnic communities.

Parliament is not given further details. [End recording]

/6662

CSO: 4200/357

AUSTRALIA

CANBERRA DIPLOMAT ON VIETNAMESE REFUGEE FIGURES

BK020636 Bangkok THE NATION in English 2 Dec 85 p 5

[Text] Australia will step up its orderly departure programme for Vietnamese in Vietnam next year and will at the same time reduce the number of Vietnamese refugees it plans to take from Thailand.

But the number of Indochinese refugees in Thailand to be resettled in the United States and Canada, which are two of the major resettlement countries, is expected to be the same for next year.

It was estimated that 29,100 Indochinese refugees will have new homes next year in the United States, Canada and Australia. Out of that number Australia will take 1,600 persons, down from 2,200 this year. The Australian fiscal year is from July 1 to June 30, and the departures of the 1,600 persons from Thailand began in July 1985 and will continue to June 1986.

An Australian diplomat here said the lower proportion of the refugees to be resettled from Thailand was due to the overall curtailed refugee resettlement programme of the Australian government in this region. This year Australia will take 7,000 Indochinese refugees from the region but next year it will cut back to 6,000 persons.

Australia has resettled about 29,000 Indochinese refugees from Thailand in the past 10 years.

He said Australia will in turn increase its departure programme in Vietnam from 2,700 this year to 4,000 persons next year. These Vietnamese are to be reunited with their families in Australia.

The Australian diplomat said the direct departure programme is designed to prevent Vietnamese from becoming refugees in countries of first asylum like Thailand.

Canada which also has a direct departure programme in Vietnam will slightly cut down the number of the Vietnamese it will take for family reunions. From January to December 1985, Canada will have taken 6,100 Vietnamese from their homeland under its reunion programme, according to a Canadian diplomat here.

However, Canada is expected to maintain the level of 2,500 Indochinese refugees to be taken from Thailand this year.

As of October this year, the U.S. and Canada were the two biggest resettlement countries for refugees from Thailand. The U.S. has so far received 20,993 persons and Canada 2,242 persons, according to the United Nations High Commissioner for Refugees (UNHCR).

About 25,000 Indochinese refugees from Thailand are expected to depart for the U.S. next year, according to a source.

Overall it was estimated that 30,000 Indochinese refugees in Thailand will have new homes in third countries next year and the number is unlikely to increase any further.

The Australian diplomat indicated his government will be reluctant to increase its Indochinese resettlement effort and suggested that other solutions to the refugee problem should be found. "Voluntary repatriation should be explored to solve the problem," he said.

/6662

CSO: 4200/357

AUSTRALIA

BRIEFS

NEW ANTINUCLEAR POLITICAL PARTY--A new antinuclear political party was officially launched today. It has been set up by former members of the Nuclear Disarmament Party [NDP] and will have branches in all states. Radio Australia's Sydney office says the new organization, called the Nuclear-Free Australia Party, will try to attract disenchanted supporters of the Nuclear Disarmament Party, which split earlier this year. In Sydney, it will be based around former NDP Senate candidate Miss (Jilian Fisher) and a former Liberal member of the House of Representatives Mr (Ted Finian). Miss (Fisher) says people who want to join will not be allowed to be members of any other political party. [Text] [Melbourne Overseas Service in English 0830 GMT 1 Dec 85 BK] /6662

CIA BANK LINK DISMISSED--The Royal Commission inquiring into the failed Nugan Hand Merchant Bank has concluded the group was not knowingly involved in the drug trade and was not linked with the Central Intelligence Agency of America. The chairman of the commission, Mr Justice Stewart, has detailed several breaches of tax and company [law] in his final report to parliament that says it could find no basis for other allegations against the company. He says that on at least one occasion the group transferred money overseas for the Mr Asia Drug Syndicate but there was no evidence that the bank had imported or distributed drugs. Mr Justice Stewart has described claims that the bank had links with the CIA as implausible. He says the bank's collapse was inevitable because of its heavy reliance on false balance sheets and circular transactions. [Text] [Melbourne Overseas Service in English 0830 GMT 27 Nov 85 BK] /6662

WHEAT SALES TO EGYPT--Egypt has signed an agreement to buy 2 million tonnes of Australian wheat next year. The deal, which was signed in Melbourne today, is part of an agreement which allows for the sale of 10 million tonnes of wheat to Egypt during the next 5 years. The Egyptian minister for supply, Dr (Muhammad Samaha), said the purchase for 1986 will meet 40 percent of his country's needs. However, Dr (Samaha) said the balance of trade between the two countries was heavily in Australia's favor and he would like to see more Egyptian goods sold to Australia. [Text] [Melbourne Overseas Service in English 0830 GMT 28 Nov 85 BK] /6662

OIL PRODUCTION FIGURES--Victorian Department of Minerals and Energy has warned that production of crude oil in Australia will begin falling rapidly within 2 years. In its latest annual report, the government department says new oil deposits will have to be discovered if Australia is to retain its present level of self-sufficiency in oil. Australia currently produces about 85 percent of its oil needs. The report says the country's main oil fields in Bass Strait contain about 220,000 million liters of oil, but the demand to the year 2000 is estimated at about 590,000 million liters. It says that, at an average daily production rate of 81 million liters, crude oil production will start dwindling rapidly in 2 years. The department says a record number of companies--43--are searching for oil and gas in Bass Strait and that exploration is likely to be assisted by the recent establishment of foreign banks in Australia. [Text] [Melbourne Overseas Service in English 0430 GMT 27 Nov 85 BK] /6662

CSO: 4200/357

BURMA

BRIEFS

SRI LANKA TRADE DELEGATION--The visiting Sri Lankan trade delegation headed by Mr S. C. Rajakaruna, deputy minister of food and cooperatives, at 0900 today called on U Khin Maung Gyi, minister of trade, at the Trade Ministry. Also present at the meeting were Col Yan Naung Soe and Col Tin Gyi, deputy ministers of trade. At 1830 this evening, Deputy Minister Col Yan Naung Soe held a banquet for the Sri Lankan delegation at the Karaweik Hall. The Sri Lankan trade delegation arrived in Rangoon on 30 November and will leave Burma on 5 December. /Text/ /Rangoon Domestic Service in Burmese 1330 GMT 3 Dec 85 BK/ 12228

CANADIAN MINISTER ARRIVES--U Maung Maung Kha, prime minister of the Socialist Republic of the Union of Burma, received Mr Georges Hees, Canadian minister of veterans affairs, at the Office of the Council of Ministers at 0900 today. Also present at the meeting were U Ye Gaung, minister of foreign affairs; U Kyaw Tint, director general of the Office of the Council of Ministers; and Mr A. G. Vincent, Canadian ambassador to Burma. At 1200, visiting minister held a luncheon with U Myint Maung, chairman of the Burma War Veterans Organization Central Executive Committee /BWVOCEC/, and Central Executive Committee members at the Inya Laka Hotel's Ruby Room. The visiting minister and his delegation left Rangoon by air in the evening and were seen off at Rangoon airport by U Han Thein, secretary of the BWVOCEC; U Maung Maung Khin, member of organization's Central Audit Committee; and the Canadian ambassador to Burma. Yesterday evening, the visiting minister and his wife visited the Shwedagon Pagoda. /Text/ /Rangoon Domestic Service in Burmese 1330 GMT 6 Dec 85 BK/ 12228

CSO: 4211/16

INDONESIA

MP HAILS PNG PRIME MINISTER'S STATEMENT ON OPM

Jakarta ANTARA NEWS BULLETIN in English 23 Oct 85 p A 1

[Text] Jakarta, 22 Oct (ANTARA)--Member of House Commission I HM Amin Iskandar approved the statement on OPM (Free Papua Movement) by PNG (Papua New Guinea) Prime Minister Michael Somare at the commonwealth conference in Nassau, Bahama Islands recently.

PNG, according to Somare, can no longer tolerate OPM members who enter PNG. He said any OPM member entering PNG area would be sent back to Indonesia.

The people of PNG sympathize with OPM, but they do not want their country be made a base for activities against the Indonesian government.

Actually, he further said, Foreign Minister Mochtar Kusumaatmadja has long ago warned PNG that sooner or later it would face difficulties as a result from its willingness to accept OPM fugitives.

We have to be glad that now PNG, even though a bit late, realizes the whole matter, he added.

The statement opened a great chance for the two countries to cooperate in guarding their common border areas.

This, according to Amin Iskandar, would be a strong basis for cooperation in other fields, as well as especially since geopolitically both countries have common interests.

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CSO: 4200/346

INDONESIA

DISCUSSION ON PURCHASE OF BRITISH RADAR REPORTED

Jakarta ANTARA NEWS BULLETIN in English 30 Oct 85 pp A4, A5

[Text] Jakarta, 29 Oct (ANTARA)--PT.PAL (Indonesian Ship Building Company) and Racal Marine Radar Ltd., a British company conducting business in naval electronic equipment, at present are holding a meeting on the purchasing of radars to be installed at six Indonesian Navy ships.

This was stated by James Ortten, one of the directors of the British company, during a display of various radars produced by Racal Marine Radar Ltd. at the BPPT (agency for the assessment and application of technology) building here Tuesday morning.

If both parties reach an agreement, some Indonesian technicians will be off to London to undergo training on how to operate the radars, said Jacob Rumahlailan, chief of PT. Technindo Imports' general department, the partner of Racal in Indonesia.

The types of radars to be installed at the six ships will be manufactured and designed in a certain way that their secrets are neatly kept, he said.

During the display Michael McDonald of Racal showed audience how three navigation equipment work and support one another. [sentence as published]

The three sophisticated equipment are Racal-Decca Master Radar, Racal-Decca Bright Track Watchkeeper and Racal-Decca MNS 2000 (Marine Navigation System 2000).

The equipment functions as a means to detect the position of a ship and objects endangering the ship, to avoid the danger of ship collision and to measure the distance of a ship and objects endangering it. Apart from that they are also useful for controlling distance between ships and navigation system during a course.

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CSO: 4200/346

INDONESIA

MUSLIM PARENTS REPORTED SENDING CHILDREN TO PUBLIC SCHOOLS

Jakarta ANTARA NEWS BULLETIN in English 29 Oct 85 pp A8, A9

[Text] Jakarta, 28 Oct (ANTARA)--Religious Affairs Minister Munawir Syadzali has expressed concern that more Moslem parents in the country at present prefer to send their children to public school rather than Islamic schools.

In his address at the closing of national meeting of the Muhammadiyah Education here Monday Minister Munawir assumed that only about ten percent of the 14 rectors of Indonesian Institutes of Islam and 27 heads of the regional offices of the ministry of religious affairs in the country have sent their children to Islamic schools.

The minister said the tendency might bring about development of Islam into a critical condition, especially in the midst of the decreasing number of ulemas in the country at present.

Unless it is properly coped with, Minister Munawir added the organization of Muhammadiyah will only be a social group without religious foundation.

He admitted that the Islamic school curriculum at present stands at a ratio of 70 percent general knowledge against 30 percent religious education.

Indonesian Institutes of Islam

Minister Munawir Syadzali disclosed that the curriculum of the Indonesian Institutes of Islam will be improved due to the fact that many lecturers and students of the Institutes failed to master the Arabic language, which is important in understanding Islam.

In the face of the year 2000 Indonesia must have qualified personnel for the development of Islam, the minister said.

Results of the Meeting

The national meeting of Muhammadiyah has set the working programs for the 1985-1990 period which among other things emphasized the importance of the implementation of vocationed education in Muhammadiyah schools.

It has also stressed the stepping up of Arabic language teaching in the Muhammadiyah schools which is to be the character of Islamic schools.

To the government the meeting proposed that religious education in schools be stepped up from twice a week to four times a week.

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CSO: 4200/346

INDONESIA

BOOK CONSIDERED AS MISLEADING MUSLIMS, BANNED IN CENTRAL JAVA

Jakarta ANTARA NEWS BULLETIN in English 30 Oct 85 p A2

[Text] Semarang, 30 Oct (ANTARA)--Head of the provincial representative office of the religious affairs ministry, Halimy AR, has instructed the people in Central Java not to keep, possess or trade a book entitled "Tauchid dan Syirik" (Doctrine of God's Oneness and Polytheism) written by Hamran Ambrie.

A person who sees that pamphlet must immediately hand it over to the public prosecutor office in his region, Halimy AR stated Tuesday.

Halimy said the "Tauchid dan Syirik" pamphlet has been banned from circulation in Central Java since August 13, 1985 because its content can lead astray religious adherents and disturb their unity.

The banned book had circulated in Salatiga, Surakarta and other provinces. The instruction made by the head of the provincial representative office of the religious affairs ministry was contained in a letter dated on October 18, 1985.

Nineteen other books written by Hamran Ambrie have also been banned from circulation in Indonesia, Halimy AR added.

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CSO: 4200/346

INDONESIA

UNDP OFFICIAL IMPRESSED BY COUNTRY'S DEVELOPMENT

Jakarta ANTARA NEWS BULLETIN in English 23 Oct 85 pp A6, A7

[Text] Jakarta, 23 Oct (ANTARA)--Indonesia's economic and social development in the past 18 years have been impressive.

Resident Representative of UNDP, Gamil M. Hamdy, told ANTARA in interview Wednesday in connection with the 40th anniversary of the UN, Hamdi said that UNDP feels privileged to be able to make a contribution towards the development efforts of Indonesia, even though only in a small way.

Cooperation between Indonesia--UNDP started in 1950 with the signing of the Basic Agreement for Technical Assistance by the government of Indonesia and the UN Technical Assistance Board.

At a time when Indonesia pulled out of the UN in May 1965, the UNDP office in Indonesia was closed for 18 months, and was afterwards re-opened in November 1966 as by then Indonesia was again a member state of the UN.

The Third Country Programme for Indonesia co-incides with Repelita IV and is seen as a complement to the fourth national development plan where technical cooperation is concerned. The UNDP third country programme was approved in June 1985 and involved external funding of some 90 million dollars for 85-89.

Coordination between the UN agencies operational activities for development in Indonesia is carried out through the Inter Agency Consultative Committee chaired by the UNDP Resident Representative in his capacity as Resident Coordinator of the UN System's Operational Activities for Development.

Its work is seen as an expression of support for the sovereign responsibility for the coordination of external assistance to Indonesia vested with the National Planning Board (Bappenas).

Total funding allocated by UNDP since 1972 to Indonesia for technical cooperation until the third country programme amounts to more than US\$234,000,500. The CP III emphasizes on human resources development with special focus on education, and technical and managerial training.

It gives important attention to regional development in the eastern islands and urban development throughout the Republic. It underpins the process of

investment promotion and of structural adjustment of the economy away from oil and LNG towards the production of locally manufactured goods and with special care being given to employment promotion to the needs of farmer, landless tenants, transmigrants, women and youth, the disabled and the protection of the environment. Indonesia's country programme is the true expression of partnership in development evidence of which being reflected in a Joint Programme Funding agreement signed in 1982. [sentence as published] It is aimed at stabilizing the UNDP resource base to allow for including in the programme of a larger number of high priority projects.

UNDP programmes are in accordance with government policy in various regions of Indonesia with emphasis to decentralization to the provinces in support of national development programme, he said.

Gamil M. Hamdy referred to hopes by the UN Secretary-General, Mr. Javier Perez de Cuellar, for a world without hunger, the availability of health services for all and rehabilitation for the disabled, political stability, and progress for the people, as the theme for the 40th anniversary.

All UN agencies in the UN system actively cooperate with the recipient government and their people in order to improve human life and the human condition, Hamdy explained.

/9274

CSO: 4200/346

INDONESIA

IMPROVEMENT OF TELUK BAYUR PORT PLANNED

Jakarta ANTARA NEWS BULLETIN in English 27 Oct 85 p A1

[Text] Jakarta, 26 Oct (ANTARA)--An international tender will be opened in Jakarta early next year in connection with the planned improvement of the Teluk Bayur port in West Sumatra.

A total of Rp 50 billion (US\$50 million) has been made available for the project.

The fund is derived as loan from the World Bank, Communications Minister Rusmin Nurjadin said in Padang, West Sumatra, Saturday.

Minister Rusmin Nurjadin said that improvement of the port was necessary in an effort to help support development in the West Sumatra province.

The port improvement will include the change of the 342-square metre wooden pier, dredging of harbour channel to a depth of nine metres, and betterment of the loading and unloading facilities.

Minister Rusmin Nurjadin asked West Sumatra Governor Azwar Anas to help supervise the project.

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CSO: 4200/346

INDONESIA

TRADE SURPLUS WITH USSR

Jakarta ANTARA NEWS BULLETIN in English 28 Oct 85 p A6

[Text] Jakarta, 28 Oct (ANTARA)--The trade balance between Indonesia and the Soviet Union during the last five years always benefited Indonesia, except for the balance in 1982 which brought deficit for the country totalling US\$16.83 million.

According to the public relations department of the Ministry of Trade here Indonesian exports to the Soviet Union in 1980 were valued at US\$72.93 million, while Indonesia's imports totalled US\$19.76 million, a surplus of US\$53.17 million for Indonesia.

Indonesia's exports to Russia in 1981 rose to US\$79.98 million, while its imports amounted to US\$41.14 million, a deficit for the Soviet of US\$38.84 million.

However, Indonesia's exports in 1982 declined to US\$22.36 million, while its imports from Russian stood at US\$39.19 million, a US\$16.83 million surplus for the Soviet Union.

Indonesia's exports to the Soviet Union in 1983 increased to US\$50.32 million, while its imports dropped to US\$24.93 million, a surplus for Indonesia of US\$35.39 million.

Meanwhile, in 1984 Indonesia's exports rose to US\$58.90 million and its imports stood at US\$12.12 million, a deficit for the Soviet of US\$46.78 million.

Data on the trade balance described that the highest surplus of Indonesia's exports was in 1980 totalling US\$53.17 million followed by those in 1984 reaching US\$46.78 million.

Indonesia's major export commodities to the Soviet Union comprised natural rubber, black pepper, coffee, palm-oil and cinnamon, while its imports were fertilizer, cotton, chemicals, and industrial machineries.

Apart from that, Vice Prime Minister of the Soviet Union Y. P. Ryabov is scheduled to visit Indonesia next Monday for talks concerning expanded trade between the two countries in particular and between Indonesia and other socialist countries of East Europe, in general. This is the first visit of the Soviet high ranking official to Indonesia since the "New Order" came to power.

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CSO: 4200/346

INDONESIA

TRADE MINISTER RULES OUT DEFICIT BUDGET, DEVALUATION OF RUPIAH

Jakarta ANTARA NEWS BULLETIN in English 24 Oct 85 pp A10, A11

[Text] Jakarta, 24 Oct (ANTARA)--Though Indonesia now has to adopt a "realistic budget" because of the conditions of the world economy and international trade, the government has no intention at all to implement a "deficit budget," Finance Minister Radius Prawiro stressed Thursday.

"We have learned from our past experience that a deficit budget will always lead to a high inflation which is a burden to all the people," Radius said moments after together with Bank Indonesia Governor Arifin Siregar he had met with President Soeharto.

Radius disclosed that a number of adjustments would be effected on the government's budget but he emphasized that there would be no devaluation of the currency.

He explained that in implementing the current budget and in drafting the next one the government had to be realistic.

He said: "We have the 1985/1986 budget as our guide but we have also to consider the conditions affecting the implementation of that budget."

He cited as example the fact that the government's goal of earning from the sale of oil had not been achieved fully because of a decrease in the price of that commodity on the world market. Also, he added, because of protectionism in other countries it has been difficult to boost Indonesia's export of non-oil/gas commodities.

The promotion of investments for the production of export goods also has not reached the desired target because of protectionism in the advanced countries.

"We are indeed confronted with a difficult situation but we must not despair and adopt short cuts that in the long term will not be effective," Radius said.

The government instead will call on all its agencies to spend as little as possible until better times come, he added.

Foreign Exchange Reserve

The minister went on to say that with such steps the government would be able to maintain the situation, so the current average inflation rate of four percent could be guaranteed.

He also said that the public should not fear on possible changes of rate of foreign exchanges caused by the inflation differences, when the inflation rate in Indonesia was not higher than that of other countries.

Answering a press question, the Governor of the Bank of Indonesia Arifin Siregar said that currently Indonesia had a foreign exchange reserve of about US\$10,6 billions.

"With such a foreign exchange reserve, we are convinced that our balance of payment can be guaranteed," Arifin Siregar stressed.

The Central bank chief also disclosed that present Indonesian foreign debts totalled about US\$23 billion, and 80 percent of the figure were in the form of soft loans and semi-concessionary loans. [sentence as published]

"In the current economic situation, we have to be careful in accepting loan offers in order to prevent ourselves from difficulties in future repayment," he said.

The central bank governor also disclosed on possible cut of the credit interest rate in the light of stimulating the business world activities after the Bank of Indonesia gradually decrease the deposit interest rate.

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CSO: 4200/346

INDONESIA

SLOWER INVESTMENT GROWTH PREDICTED FOR 1986

Jakarta ANTARA NEWS BULLETIN in English 29 Oct 85 p A3

[Text] Jakarta, 29 Oct (ANTARA)--The growth of capital investment in Indonesia is believed to be not smooth in 1986, because the prospect of economic development in the country is not so bright next year, Chairman of BKPM (Investment Coordinating Board) Ir. Drs. Ginanjar Kartasasmita has said.

Ginanjar, concurrently also junior minister for promotion of the use of domestic products, said further when installing nine echelon I and II officials of BKPM here Monday that the growth of capital investment in 1986 would not be as fast as that this year.

The slow development of capital investment in this country is mainly due to the protracted world economic recession and the fall of oil prices on the international market, according to Ginanjar.

The available data show that the amount of new investments under the PMDN (domestic investment) scheme in the third quarter of 1985, including additional investments for expansion projects, stood at Rp. 799,331 million.

In the third quarter of 1984, the total of new PMDN investments, including investments for the expansion of activities by PMDN companies, reached Rp.397,262 million. Thus the amount of new PMDN investments in the third quarter of 1985 was far bigger than that in the corresponding period of 1984.

The amount of new investments under the PMA (foreign investment) scheme, including additional investments for expansion projects, declined to US\$136.69 million in the first quarter of 1985 from US\$733.13 million in the same period of 1984.

Ginanjar disclosed that the government was currently making efforts to stimulate more foreign investors to make investment in Indonesia. The difficulty in the provision of land for new investment projects is among factors hampering the growth of the investment sector, he revealed.

BKPM is currently contacting the minister of internal affairs to overcome the difficulty in the provision of land for investment projects, the BKPM chairman said.

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CSO: 4200/346

INDONESIA

ECONOMIST ON ECONOMIC PROSPECTS IN 1986

Jakarta ANTARA NEWS BULLETIN in English 23 Oct 85 p A 8

[Text] Jakarta, 23 Oct (ANTARA)--The Indonesian economy in 1985 gets little internal or external stimulation, Prof. Dr. Mochamad Sadli, secretary general of the Indonesian chamber of commerce and industry (Kadin), wrote in the chamber's official organ "Bulletin Kadin Indonesia" for October.

For 1985 and 1986, he wrote, the economy is overshadowed by the possibility of a fall in the price of oil on the world market.

The government, therefore, has been very cautious in pushing the economy toward growth.

He noted that in the first part of 1985 the economy was affected by a fall in the price of oil on the international market leading to only a small increase in the volume and value of non-oil commodities export.

Stimulation of the economy this year could only be expected if the government immediately disbursed the development budgets of the ministries which had still not been used up to now (SIAP), Prof. Sadli wrote.

The government, however, is very cautious because if Indonesia runs out of foreign exchange in 1986 it has no other choice but to devalue again the rupiah.

"In this connection it would be better for all of us to tighten our belts, spend economically and press down the volume of import," he stated.

On the other side, should in this transitional period Indonesia succeeds to enhance productivity and efficiency, the economy will be brighter in the upcoming years, the Kadin secretary general pointed out.

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CSO: 4200/346

LAOS

PASASON WELCOMES FORTHCOMING NATIONAL DAY

BK301050 Vientiane KPL in English 0915 GMT 30 Nov 85

[Text] Vientiane, November 30 (KPL)--In its editorial today, the daily PASASON welcomes the coming 10th national day (December 2), attributing the success of the Lao revolution to the talented organization and guidance of the Lao People's Revolutionary Party. It assesses this important event as a great victory ever recorded by the entire Lao people in their long national history. Thanks to the LPRP's organizing and guiding talent, the Lao people succeed in removing the feudalist, colonialist and imperialist oppressive yoke and hence realizing their earnest aspiration: the building of a peaceful, independent, united and prosperous nation, the paper says.

"The brilliant all-round achievements scored in the past ten years, the paper continues," clearly demonstrate the Lao people's firm commitment to the cause of national defence and socialist construction, which has been gaining speed without any hitch, despite difficulties caused by natural calamities and the enemy's sabotage attempts. The Lao revolution, under the leadership of the LPRP, has accelerated towards successive gains. The Lao people have foiled all attempts by the Beijing hegemonists, U.S. imperialists and Thai reactionaries to cause instability and disunity in Laos, to sow discord between Laos and Vietnam and Kampuchea, and isolate them from other socialist and friendly countries.

The paper recalls the significant successes in the economic nationalization, and in the development of agriculture and forestry which is being taken as an initial step towards national industrialization. The agricultural collectivization movement, trade, culture, education, communications, and other branches of activities have achieved much in the past ten years, thus improving the people's living standard.

"Regarding international affairs, the paper says, the Lao PDR's prestige has been raised due to its correct and just foreign policy. Since its founding, the Lao PDR has actively contributed to the cause of world peace and security. Its role in strengthening the socialist community and its efforts to turn Southeast Asia into a zone of peace, stability and cooperation have been highly appreciated.

"The above-mentioned successes have practically proved the correct implementation of Marxism-Leninism by the LPRP, led by General Secretary Kaysone Phomvihan, the organizer and leader of all victories of the Lao revolution, the paper concludes.

LAOS

BRIEFS

SOUPHANOUVONG VISITS VIENTIANE TRADE FAIR--Vientiane, December 3, (OANA-KPL)--President Souphanouvong on December 1st visited the 1985 trade fair organized in Vientiane on the occasion of the 10th National day of the Lao PDR. On display were items contributed by 9 ministries and 3 provinces of Laos as well as by Hanoi, Phnom Penh and Moscow capitals, and Ho Chi Minh City. The items included small agricultural machines and other products of agriculture, industry and handicraft. He expressed his congratulations on the achievements and products made by the contributing departments, and encouraged them to promote their fine hard-working tradition and gain bigger successes. [Text] [Vientiane KPL in English 1002 GMT 3 Dec 85 BK] /6662

ART PERFORMANCE FOR FOREIGN GUESTS--Vientiane, December 2 (OANA-KPL)--An art performance was given here by the Lao People's Army Artistic [Troupe], on December 1st, in the presence of the Lao party and state leaders and representatives of parties and governments of the fraternal socialist and friendly countries on the occasion of the celebration of the 10th founding of the Lao PDR (December 2nd). The performance was also attended by Heng Samrin, general secretary of the PRPK [KPRP] CC, chairman of the State Council of the PRK; and delegations from the SRV, from the USSR, the GDR, the People's Republic of Bulgaria, the Republic of Cuba, the Romanian Socialist Republic, the Mongolian People's Republic, the Polish People's Republic, the Democratic People's Republic of Korea and the Republic of India. [Text] [Vientiane PKL in English 0952 GMT 2 Dec 85 BK] /6662

1985 TRADE FAIR VISITORS--Vientiane, December 2 (KPL)--Kaysone Phomvihan, general secretary of the LPRP CC, chairman of Council of Ministers, visited the 1985 trade fair opened here on Saturday. The 1985 trade fair was held in connection with the forthcoming celebration of the 10th anniversary of the Lao PDR December 2. K. Phomvihan was accompanied, on this occasion, by Nouhak Phoumsavan, Politburo member of the party CC, first vice-chairman of the Council of Ministers, [Sisavat Keobounphan], secretary of the Vientiane party committee and minister of interior, Khambou Sounisai, member of the party CC and mayor of Vientiane and other high ranking officials. [Text] [Vientiane KPL in English 1010 GMT 2 Dec 85 BK] /6662

NATIONAL DELEGATES VISIT MUSEUM--Vientiane, December 2 (KPL)--Delegates from all the nations who are attending the celebration of the 10th national day (December 2) on November 30, visited the exhibition hall of the Lao People's Army. The exhibition gave a clear recapitulation of the fighting spirit and heroism of the LPA. All the 300 delegates who represent the entire Lao people to attend this historical event of the nation are proud of their army and are confident on the LPA's tradition in fulfilling its task of national defence and construction. Earlier, the cultural service of Vientiane Municipality also inaugurated its traditional revolutionary museum here to welcome the 10th national day (December 2). Pictures, sculptures and miniature models reflecting the courageous tradition and heroism of the Vientiane people since Prince Anouvong's reign were put on show. Present at the opening ceremony on November 29 were Thongsing Thammavong, alternate member of the LPRP CC and minister of culture, Dr. Siho Bannavong, deputy-mayor of Vientiane and representatives of the diplomatic corps and international organizations to Laos. The minister of culture, on the occasion, praised the brilliant achievements of the Vientiane Cultural Service, by saying that the museum will further be enriched with other items reflecting the heroic tradition, fine arts and millenious [as received] culture of the Lao people to the young generation. [Text] [Vientiane KPL in English 0916 GMT 2 Dec 85 BK] /6662

CSO: 4200/355

MALAYSIA

NARROWER TRADE GAP WITH USSR PLANNED

Kuala Lumpur BUSINESS TIMES in English 5 Nov 85 pp 1, 24

[Text]

MALAYSIA is ready to increase imports from the Soviet Union to help reduce the trade imbalance between the two countries, said Foreign Affairs Minister Tengku Ahmad Rithauddeen yesterday.

He said agreements to import more Soviet products were signed when the Deputy Trade and Industry Minister, Datuk Oo Gin Sun, led a 19-member trade mission to Eastern Europe recently.

Tengku Rithauddeen was speaking to newsmen after meeting the visiting Soviet Deputy Prime Minister Yakov Petrovich Ryabov at Wisma Putra.

"We must allow more of our people to be exposed to Soviet-made products," he said.

Malaysia's export to the Soviet Union last year totalled \$465 million, compared with imports of \$42.9 million.

Although Malaysia's imports from the Soviet Union increased to \$64.1 million in 1982 from \$15.9 million in 1978, it declined to \$38 million in 1983 and \$42.7 million last year.

Malaysia's exports to the Soviet Union comprised mainly of palm oil, rubber and tin while agriculture tractors, welding metal, cutting machine tools, urea and potash

made up most of Soviet's exports here.

Tengku Razaleigh said Mr Ryabov presented a list of products Malaysia can buy from the Soviet Union and also a list of areas for possible economic cooperation between the two countries.

Among the items the Soviets suggested that Malaysia can purchase are metallurgical products and steel pipes, which they said are as competitive as those of other Western countries.

Tengku Razaleigh said the Soviet Deputy Premier was told that Malaysia will study the lists as well as look into other measures to redress the imbalance.

As one measure of redressing the problem, Tengku Razaleigh suggested that the Soviet Union appoints a Malaysian freight-booking centre here so that Malaysian exports and imports could be transported by Soviet ships, thus giving opportunities to the Soviets to earn money to correct the imbalance.

He also suggested that the Soviets display their products here in the various trade fairs to enable Malaysian businessmen to become more familiar with their products.

He leaves for home today.

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CSO: 4200/333

MALAYSIA

TRADE PACT SIGNED WITH DHAKA

Kuala Lumpur BUSINESS TIMES in English 7 Nov 85 p 1

[Article by Fauziah Haji Ismail]

[Text]

MALAYSIA and Bangladesh yesterday concluded a two-year US\$10 million (about \$24.6 million) special trading agreement and signed another pact for the establishment of a standing committee on economic cooperation in both countries.

The special trading agreement is between a Malaysian sogo shosha, the Malaysian International Trading Corporation (Mitco) and the Trading Corporation of Bangladesh (TCB) while the standing committee on economic cooperation involves the Chambers of Commerce and Industry

of both countries.

The two agreements add to the Cultural Cooperation Protocol signed on Tuesday.

Bangladesh's President Hussain Muhammad Ershad, speaking at a Press conference in Kuala Lumpur yesterday said the respective agreements demonstrated the close trade and economic ties of the two nations.

President Ershad, on a short visit to Malaysia, considers his visit as most fruitful in bringing the two countries closer said: "It will be our earnest endeavour to ensure that the climate of friend-

ship and goodwill that exists between our two countries will be further enhanced for mutual benefit."

The agreements will help intensify private sector participation in trade and investment of both countries. Malaysia-Bangladesh trade which had been in Malaysia's favour by a 6:1 ratio can also be remedied.

President Ershad also urged Malaysian businessmen to visit Bangladesh to see for themselves the viable areas which they can venture. The Bangladeshi private sector, too, will be encouraged to visit this

country. This exchange can help both sides to become more familiar with each other's products and markets.

He added that both sides must not hesitate to find ways to increase volume of trade, through joint marketing of products and through joint ventures.

Under the Bangladesh New Industrial Policy, the entire economy except for a few sectors is wide open to the private sector for investment.

President Ershad praised Asian achievements in promoting cooperation in the region.

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CSO: 4200/333

MALAYSIA

TRADE AGREEMENT SIGNED WITH BANGLADESH

Kuala Lumpur BUSINESS TIMES in English 6 Nov 85 pp 1, 24

[Text]

MALAYSIA and Bangladesh agreed yesterday to trade directly and no longer through third countries as at present. Both countries may also set up joint ventures in several fields which have been identified in the two countries.

These were among the outcome of talks between Prime Minister Datuk Seri Dr Mahathir Mohamad and Bangladesh President Lieutenant-General Hussein Mohamad Ershad in Kuala Lumpur yesterday.

President Ershad is on a five-day official visit to Malaysia.

Foreign Ministry Secretary-General Tan Sri Zainal Abidin Sulong told reporters after the meeting both leaders had agreed to foster closer trade and economic relations.

The meeting also discussed steps to take to correct the trade imba-

lance, presently in Malaysia's favour. It was also suggested that Malaysia employ more Bangladeshi labour.

The two leaders also discussed international issues and exchanged news on the political situation of each other's country.

At the end of the meeting, the two countries signed a cultural exchange programme involving school curriculum, sports, and culture which will be implemented next year. Tan Sri Zainal Abidin signed on behalf of Malaysia, Bangladesh High Commissioner Farooq Sobhan for his country.

Meanwhile, the Malaysian and Bangladesh Chambers of Commerce and Industry have agreed in principle to establish joint economic cooperation committees to be set up in each country.

This was arrived at in talks President Ershad had with the Malaysian chamber (NCCI). NCCI chairman Dr Nawawi Mat Awin said the committees will foster better understanding and increase two-way trade and business.

Earlier, in a luncheon address to the NCCI President Ershad called for direct trade between the two countries, pointing out that trade through third parties is detrimental to the national interest of both countries and should not be allowed to persist.

He said one reason for this tendency to trade indirectly was shipping. Bangladesh has looked very closely at the problem and has discussed ways and means to improve the frequency of sailings between Bangladeshi and Malaysian ports.

More Malaysian flag vessels need to ply in this sector, too. Traders on both sides should also utilise the cargo space available on the Bangladesh national airline, Biman, he said.

President Ershad said the possibilities for cooperation between Malaysia and Bangladesh were many.

"While there is a balance of trade of nearly six to one in Malaysia's favour, in Bangladesh we do not take a narrow parochial view of this.

"What we are saying to you is to buy some more goods, hopefully a lot more goods from Bangladesh so as to enable us to buy more from you," President Ershad said.

He also encouraged joint-venture undertakings for not only the domestic markets in the respective countries but also the much larger regional market.

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CSO: 4200/333

MALAYSIA

OIL OUTPUT TO RISE BY 20 PERCENT

Kuala Lumpur BUSINESS TIMES in English 26 Oct 85 p 12

[Article by Ho Sook Han]

[Text]

SHELVING a year's production restraints, Malaysia will loosen the oil tap to produce 510,000 barrels per day (bpd) next year — almost 20 per cent up against estimated average production this year. Malaysia cut its planned output for 1985 by about 40,000 bpd to show solidarity with the Organisation of Petroleum Exporting Countries (Opec).

With world demand remaining weak, the average weighted price of Malaysian crude petroleum is expected to dip to US\$26 a barrel in 1986, 5.5 per cent down from US\$27.50 this year. With a higher output rate, however, total exports are expected to increase by 22.6 per cent to 19.26 million tonnes.

Average crude oil output this year from two dozen producing fields out of a total of 51 is estimated to drop by 3.8 per cent to 430,000 bpd compared with 1984's 446,801 bpd. Output from the peninsula's eight offshore fields, which accounted for almost half or 213,070 bpd of the total, was 7.3 per cent lower than the production volume in the first half of last year.

Production from Sarawak's 10 fields at 140,788 bpd

recorded a decline of 1.6 per cent and Sabah's six at 78,340 bpd, a reduction of 7.6 per cent over the same period last year. Petronas Carigali expects to conduct more seismic surveys over another 3,300 line km to find more drilling possibilities.

Exports during the first six months decreased by 5.9 per cent to 8.19 million tonnes compared with 8.71 million tonnes in the same period last year. With the export market expected to stay weak for the rest of the year, exports are likely to total 15.71 million tonnes, a decline of 4.8 per cent over 1984.

So far, prices have been trimmed twice: in February by between US\$1.25 and US\$2.30, and in July by another 50 US cents and US\$1.65. The average weighted price of US\$27.50 is thus 6.3 per cent lower than last year's. Export value during the first half of the year amounted to \$4.46 billion, 3.1 per cent down from that of the same year-ago period.

Japan, Singapore and South Korea continued to be the major markets for Malaysian crude — Japan buying 2.43 million tonnes or 29.7 per cent of total exports, Singapore 2.42 million tonnes or 29.5 per cent and South Korea 1.28 million tonnes or 15.6 per cent.

As for natural gas, total production is expected to reach 483,224 million standard cubic feet (scf) or an increase of 21.2 per cent compared with 1984. An increasing share of total output, 87 per cent this year compared with 77 per cent, will be used by domestic industries and power generation.

The first consignment of liquefied petroleum gas or LPG in refrigerated form was exported in July from Petronas' gas processing plant in Kertih to three Japanese companies which bought 33,000 tonnes in all. Exports for the whole year will reach 196,000 tonnes. About four million tonnes of liquefied natural gas or LNG was produced this year for export to Japan, a 9.5 per cent increase from last year's 3.7 million tonnes.

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CSO: 4200/333

MALAYSIA

OIL EXPLORATION ACCORD SIGNED WITH THAILAND

Kuala Lumpur NEW STRAITS TIMES in English 30 Oct 85 p 3

[Text]

ALOR STAR, Tues. -- Malaysia and Thailand have agreed to jointly explore for petroleum off the East Coast of Peninsular Malaysia.

The Thai Ambassador to Malaysia, Dr Chawan Chawanid, said today both countries would finalise arrangements on the joint-venture project soon.

He said agreement had also been reached between the two countries on how to utilise water from the Golok basin for agricultural projects in Kelantan and Thailand's Narathiwat province.

Dr Chawan, who was

accompanied by his wife, is on a two-day official visit to Kedah.

He said the agreements reached were clear examples of the close co-operation between the two countries.

On tourism, he said despite the economic problems, Thais were still visiting Malaysia.

He noted minor problems faced by officers at entry points of both countries, saying that there should be better co-ordination on both sides.

Dr Chawanid and his wife were granted an audience by the Sultan and Sultanah of Kedah at Istana Anak Bukit this morning. — Bernama

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CSO: 4200/333

MALAYSIA

WARPLANE PURCHASE PLAN SHELVED

Penang THE STAR in English 28 Oct 85 p 3

[Article by K. T. Arasu]

[Text]

KUALA LUMPUR, Sun. — The Defence Ministry has shelved plans to buy multi-role combat aircraft and submarines in view of the country's financial constraints, officials sources said today.

The sources said the multi-million dollar Gemas project — the army combat training centre which were to have cavalry and artillery schools on a 30,000 hectare site — would be "delayed."

It is learnt that allocation for defence in the Fifth Malaysia Plan, to be made public in March next year, would be "tightened," allowing the Ministry to undertake only priority projects.

The sources said the proposed purchase of submarines is "definitely out" because of the shortage of funds but added that the Ministry

would continue its training of submariners.

The navy had sent several officers and men for submarine warfare training in France, Sweden and West Germany.

The RMAF had planned to buy the multi-role combat aircraft under its expansion programme which started in 1979. The Skyhawks were purchased under this programme.

INSUFFICIENT

"The combat planes were to be bought either last year or this year but the money provided under the Fourth Malaysia Plan was insufficient. They said the air force was unlikely to get an allocation for this purchase in the next five-year plan.

The RMAF had planned to buy the combat aircraft "all along" to complement existing aircraft, the

sources added.

The sources said the recession had caused a "topsy turvy" situation in defence allocations and that the Defence Forces "could not afford to do many things."

The Gemas project, started more than two years ago, has not made much progress apart from basic infrastructure development like accommodation.

The sources said the full implementation of this prestigious project could be "stretched" into the Sixth Malaysia Plan. The project site takes in Johore, Malacca and Negri Sembilan.

Finance Minister Daim Zainuddin said in his Budget speech on Friday that allocation for defence is for continuation projects only. It also includes the purchase of aircraft and boats aimed at intensifying patrol of coastal waters and protecting fishermen from intruders.

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CSO: 4200/333

NEW ZEALAND

WELLINGTON CONSIDERING FRESH ENQUIRY INTO GREENPEACE AFFAIR

HK290410 Hong Kong AFP in English 0333 GMT 29 Nov 85

[Text] Wellington, Nov 29 (AFP)--The New Zealand Government is considering a fresh public enquiry into the sinking of the Greenpeace vessel Rainbow Warrior by French secret service agents.

Transport Minister Richard Prebble told AFP today he had powers under the country's shipping and seamen's act to call an enquiry into the sinking.

Mr Prebble said that meant the detailed evidence in the police case against the two French agents jailed for involvement in the bombing of the vessel could be made public.

"Every time there is a sinking in New Zealand, there is some form of enquiry," said Mr Prebble. "This is a government of the rule of law, and as minister of transport I have certain legal responsibilities."

"I am going to carry them out regardless of whether some people want to quieten down the Greenpeace affair, or even if its embarrasses different people," said Mr Prebble.

"There have been suggestions made that if I call this enquiry it will be to put pressure on the French Government, but that's rubbish."

"I am exercising powers I have as minister of transport, and just as the French Government did not know we have an efficient police force, it appears they do not know we are a government of the rule of law."

Mr Prebble said if the legal opinion from the solicitor general indicates he should call a formal enquiry, "then that's what I will do."

"Regardless of whether there is evidence which certain people prefer will never come out, it seems to me that if there is evidence which ought to be known, it will be known", he commented.

French agents Major Alain Mafart and Captain Dominique Prieur both pleaded guilty to manslaughter charges, and action which meant nine of the detailed

evidence of the case was revealed in court. The pair were later jailed for 10 years for their part in the sabotage bomb attack.

Mr Prebble's statement that a fresh enquiry could be called into the whole incident comes in the wake of suggestions that both the French and New Zealand officials in New York over compensation for the terrorist act by its agents in Auckland last July 10.

Prime Minister David Lange declined today to comment on when the talks with France might resume on the issue of compensation for the sinking of the Rainbow Warrior.

New Zealand Foreign Ministry negotiators had earlier been expected to fly to New York shortly for an early December meeting with French officials over the reparations questions, and New Zealand Justice Minister Jeffrey Palmer has declined comment on the possibility of a marine public enquiry into the sinking of the vessel.

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CSO: 4200/358

PHILIPPINES

MNLF SAYS AFP INITIATED RAID ON MALAYSIAN TOWN

Quezon City ANG PAHAYAGANG MALAYA in English 8 Nov 85 p 6

[Text]

The Moro National Liberation Front (MNLF) yesterday accused the military of raiding the Maldanas Island, Tawi-Tawi and Lahad Datu, Sabah recently "to create justification for the reimposition of martial law and stave off external and internal pressures for democratic reforms."

During the Mindanao Forum at the National Press Club, NPC president Antonio Ma. Nieva read a letter sent to him by the MNLF stating that "we want to put to rest all speculations in this forum...the Southern Command (Southcom)

military raid on Lahad Datu and the subsequent massacre of close to a hundred residents of Maldanas was a military project of immense political magnitude."

Lanao del Sur Gov. Ali Dinaporo, who was guest in the same forum, however, denied that accusation and described it as "absurd."

The letter signed by a certain Muhammad Anwar, who identified himself as an MNLF representative, likened the incident to the Jabidah massacre. It was reported that at least 57 Filipinos were killed in the Sept. 20 Maldanas

raid.

Dinaporo, who was endorsed in the forum by some Muslim leaders to be the running mate of President Marcos in the Jan. 17 snap presidential poll, said that the incident should be treated with utmost caution because it involves a member of the Asean.

He also said that the peace and order situation in Mindanao is "improving."

He said some high-ranking officials of the MNLF are "returning to the fold of the law because they realize that President Marcos is attending to their needs."

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CSO: 4200/348

PHILIPPINES

NEGROS MILITANT ACTIVITIES REPORTED

Quezon City ANG PAHAYAGANG MALAYA in English 11 Nov 85 p 9

[Article by Edgar C. Cadagat in the "Straight From Negros" column: "Days of Disquiet, Nights of Rage"]

[Text]

The days of disquiet and the nights of rage in the troubled province of Negros Occidental are not about to end. One gets the feeling of an unstoppable force unleashed as more and more Negrenses join the loud clamor for real freedom, democracy, peace and progress. It is like seeing an enslaved people trodding the difficult road towards liberation from years of bondage.

Politization in Negros is proceeding at a fast pace as an enlightened people assert the exercise of their just rights, political observers said.

Two weeks ago, small farmers gathered at San Enrique and E.B. Magalona towns to air long-suffered grievances. The 4,000 strong farmers marched for three days converging in Bacolod City where a rally was held at the public plaza. Spearheaded by the Small Farmers' Association in Negros (SFAN), the farmers in coordination with allied farmers' organizations all over the country, presented several demands as they staged pickets before various government agencies. One of the specific complaints was the high cost of irrigation fees charged by the National Irrigation Administration.

The farmers also carried placards saying "Pato (duck) and Beer-Tubig", meaning that sluice valves would only be opened by NIA employees if roasted duck and beer are served by big landowners.

The farmers also demanded that exorbitant rates for land rent be lowered.

The Federation of Small Fishermen in Negros (FESFIN) joined their counterpart, the farmers in the mini-"Lakbayan", airing their own demands among which were the eli-

mination of destructive types of fishing.

Some 300 tough and hardy stevedores of Bantago Port also struck for higher wages. They took turns manning the picket line at the port. They demanded that their present P1,250 monthly pay be raised to the maximum under Wage Orders 5 and 6.

Operator Ramon Ledesma has reportedly dared the stevedores to run the company themselves to see how difficult it is to operate.

In the downtown area of the city, salesgirls of the Sta. Fe Textiles laid off from their jobs also mounted a picket.

Indignation over the Escalante Massacre has not abated as mass actions condemning the massacre continued to be held. On Oct. 29, the Catholic Women's League along with several other religious organizations, held a memorial mass for the victims of the Escalante Massacre. In the afternoon, Bayan-Kabankalan held a rally with thousands of people attending.

From November to December, more mass actions are scheduled to take place in Negros, which will culminate in a massive longmarch. Bayan-Negros is flexing its growing muscles as it prepares to mobilize 200,000 people to participate in the mass action.

Nearby Iloilo was in the limelight late last month as some 8,000 farmers took to the streets to force economic concessions from the government.

Bobby Propongo, chairman of the Kilusan ng Magbubukid sa Pilipinas (KMP), told Malaya that repressed peasants held a rally cum dialog at

the Freedom Grandstand with government officials in attendance.

Oct. 22, they formed three rally centers, one in De Leon St., another in Gen. Luna St. and another on Izart St. fronting the YMCA building.

Attempts of policemen to break the will of the rallyists by beating them up with rattan sticks and stomping on women farmers laying prone proved futile as determined peasants stood their ground. Iloilo and even Panay Island stood still for three days.

A big brouhaha in Bacolod City was the so-called "Peace Rally" which was staged by the shadowy Concerned Citizens of Negros Occidental for Peace, Freedom and Democracy, on Oct. 24.

The aim of the rally was in the first place very hazy. Observers were in the dark as to the real organizers of the rally.

Before the rally took place, a P3 million budget was allegedly allotted, with rallyists being paid P15 each. Some later confirmed this, adding that some organizers even ran off with their allotment.

Malaya was able to photograph CHDF's, guns bulging on their waists attending the rally at the public plaza, and money changing hands there.

Observers opined that the so-called "Rally for Peace" did not achieve its purpose, with organizers getting their fangs clipped in the process. There won't be another "peace rally" for a long time to come, the observers said.

PHILIPPINES

NATIONWIDE CRIME UP 25 PERCENT

Quezon City ANG PAHAYAGANG MALAYA in English 10 Nov 85 p 2

[Text]

Incidence of major or index crimes in the country has been increasing by an annual average of 5 per cent since 1980. As of last year, the national crime rate was measured at 313 cases per 100,000 population.

Index crimes are those of "serious nature reported with sufficient frequency and regularity so as to be used as an index of the actual levels of criminality in the country," according to the National Census and Statistics Office.

The agency said index crimes are murder, homicide, serious and less serious physical injuries, robbery, theft and rape.

Reviewing the country's crime picture during 1980-84, NCSO found that index crimes make up more than 50 per cent of the total crime volume in the country on the annual basis.

Index crimes accounted for 50.71 per cent of the total in 1980; jumped to 55.49 per cent the following year; remained virtually unchanged at 55.55 per cent in 1982; increased to 58 per cent in 1983, and further to 59.38 per cent in 1984, NCSO pointed out.

Reports from the Philippine Constabulary and the police are the sources of the crime figures gathered by NCSO. The reports are based on formal complaints filed by victims and those recorded by law enforcement agencies.

They do not include unreported incidents which are believed to be increasing due either to public disinterest or disenchantment with ability of the police to solve and prevent crimes.

NCSO reported that its review shows theft to be the most common major crime committed in the country on the daily or hourly basis. In 1980, an average of 64 theft cases was committed daily or three cases per hour. The rate increased to 95 cases daily or four cases every hour in 1984.

Illiteracy and unemployment are not the main causes of the steady annual increase in the country's crime volume, NCSO explained. The agency quoted police authorities listing the top reasons as "continued economic crisis, pressures of population, urbanization, industrialization, and the problems of squatter and slum areas."

The agency counted 34,832 theft cases committed in 1984; 25,204 physical injury cases; 16,882 robberies; 11,199 homicide cases; 9,945 murder cases, and 1,303 cases of rape.

Police authorities are reported by NCSO to be of the belief that reported crimes against chastity such as rape, acts of lasciviousness and seduction are but a fraction of those actually committed. Majority of victims do not lodge formal complaints because of the social stigma and public humiliation involved, the authorities explained.

Steady climb of the crime volume in the country during the past five years is reflected by the 1980 grand total of 132,997 increasing to 167,336 by 1984, NCSO said. Growth rate during the period was 25.82 per cent or 5.16 per cent on the annual average, the agency added.

Regionalizing the crime picture in 1984, NCSO said four regions emerged as the most crime-prone accounting for 53.65 per cent of the annual total. The four are Southern Mindanao, Western Visayas, Northern Mindanao and Bicol. Most commonly committed crimes in the four areas were theft, physical injuries, homicides and murders.

Police claims that the crime incidence in Metro Manila is on the downward trend draw confirmation from the figures, NCSO said. It said the city area accounted for 16.90 per cent of total crimes committed in the nation in 1980. Such a share had gone down to 8.47 per cent by 1984.

As of last year, the national crime rate was 314 cases per 100,000 population and aside from Metro Manila (with a 210 rate), four other regions had rates lower than the national average.

NCSO listed the regions with the lowest crime rates as Central Luzon and Southern Tagalog, each with a rate of 165; Cagayan Valley, 172, and Central Mindanao, 198. — DEPTInews

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CSO: 4200/348

PHILIPPINES

EDITORIAL SEES CULTURAL TIES FAVORING U.S. BASES

Manila BULLETIN TODAY in English 10 Nov 85 p 6

[Editorial: "Culture and the Bases"]

[Text]

WHETHER the US will continue to use the bases depends, of course, on what the Filipino nation will say. Should the nation decide that the US can no longer use the bases, it is very likely the US would go. It is not valid at this time to draw a parallel between this case and Guantanamo.

As of this time, the people prefer the status quo. The vast majority of them think that the advantages of allowing American use of the bases outweigh the disadvantages, even though for many decades many astute Filipino thinkers have been trying to convince the

nation of the dangers posed to the country by the American use of the bases and of the impairment of sovereignty.

It would take some sharp perception of danger or of injustice for the Filipinos to ask the Americans to move out.

One powerful reason that impels the Filipinos to maintain the status quo is their cultural orientation. Culturally, they are inclined toward the US. Unlike most Asians, except probably the Japanese, they continue to look to the US for the satisfaction of their cultural, intellectual, and material needs.

The latest songs,

dances, movies, and fashions are imported from the US. When Filipinos plan to seek higher learning abroad, their target is the US. The principal medium of instruction is English (and if we are to distinguish between English and American, it is definitely American).

The strong communication lines between the Philippines and the US explain the continuing cultural orientation and suggest that while Japan has lately been making inroads into the Filipino culture, it cannot truly replace the US.

All this affects Filipino perceptions on the use of the bases.

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CSO: 4200/348

PHILIPPINES

EDITORIAL REPORTS, DECRIES MILITARY ORDERS TO DOCTOR

Quezon City ANG PARIYAGANG MALAYA in English 11 Nov 85 p 4

[Editorial: "Running the Show"]

[Text]

The military in this country seems to be running the show — in more ways than one — since martial law was imposed by the reigning rulers. Its pernicious influence in most parts of the archipelago is felt in the daily life of the people like the fishermen, laborers, farmers, students, professionals, and a host of other important and nondescript citizens who make up the over 54 million population of this so called Republic.

The latest of this pernicious influence was exerted by the military upon a rural health physician who was reportedly not allowed to examine and treat the wounded during the Escalante massacre on Sept. 21 wherein 27 protesters were killed. Testifying before a committee created by Defense Minister Juan Ponce Enrile to look into the bloodiest massacre yet in the 20-year Marcos rule, Dr. Ed Catalbas said he was not allowed by paramilitary troops to enter a private hospital where some of the victims were taken.

According to the Escalante physician, he was told that he was to get a clearance from a commissioned officer, a certain captain, before he can enter the hospital. And quite conveniently, the all-important captain was not around at the time.

This is about the first time we have heard that the military gives orders to doctors on whom to treat. That the military has become selective in this new-found power is not surprising, since every citizen knows the paranoid tendency of soldiers to abuse anything and everything, especially when they are carrying firearms. In the Escalante case, the military did doubly wrong to the peasant protest marchers: not only did it fire upon unarmed laborers, when some of them were already lying prone on the streets; it also prevented the application of immediate treatment which could easily have lessened the death toll. For all we know, the massacre might not have registered 27 deaths if the good doctor was allowed to practice his craft on the wounded victims.

But perhaps the populace should not be too harsh on their judgment of the military, since it is an open secret that a good number of the force are just plain ignoramuses, and that includes captains. And not having heard of the Hippocratic Oath -- or confusing it for an exotic kind of alcohol - one should not really expect the military mind to function with any appreciable degree of civilized grace. The only bright possibility in this mess is the seeming sincerity evinced by Mr. Enrile in seeing through this whole ugly slaying. He has let out with some fighting words and many are hoping they turn out to be resolute words as well.

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CSO: 4200/348

PHILIPPINES

COLUMNIST ANALYZES 'CONCRETE' FACTORS FAVORING NPA DEFEAT

Manila BULLETIN TODAY in English 11 Nov 85 p 6

[Commentary by Adrian Cristobal: "Prevailing Over the Communists"]

[Text]

AFTER what seems to have been many, many years of hewing and hawing, Cardinal Sin has finally said that the present social and economic system would prevail over the communist threat, with which the United States, particularly, seems to be inordinately concerned nowadays.

The cardinal said he was confident of this because the Filipinos would never exchange Christianity for Marxism; and that their "abiding Christian faith" would prevent the communists from capturing power in the Philippines.

There are many others equally confident that the communists will not succeed in taking over the country, if for reasons entirely different from those of the cardinal.

Though understandable because they come from a man of the

church, the cardinal's reasons for believing that the communists will fail have been said before, and in connection with countries equally as Christian—perhaps even more Christian—as the Philippines. Nicaragua, for example, immediately comes to mind, as a country where the Church remains a strong institution and where Christianity has had both a long tradition as well as firm roots among the populace.

The cardinal's statements assume that it is a matter of choosing philosophies or world views, whereas it may be closer to the truth to believe that it is a matter of concrete alternatives: the question is most often not that of whether one desires to live by Christian values or Marxist ones, but whether the present is worth defending, or if an alternative

future is possible. This issue itself is divisible into nitty-gritty, bread and butter issues: will I have more to eat in a new regime, will my children have access to education and medical care, will I have a roof over my head, a future to look forward to? If, when compared to the present, the future that is yet to be appears infinitely preferable, then do people begin to consider the revolutionary option, whether that option is Marxist or not.

This is, of course, a simplification of a complex process. The point, however, is that people rebel, or defend the present state of things, for quite simple and tangible reasons.

What will defeat the communists, then, is not any presumed adherence on the part of the people to a philosophy, but the day-to-day manifestations of the truth and validity of that philosophy: whether it can, in short, provide the people, if not now, at least within the foreseeable future, with the means to sustain life as well as dignity, survival as well as hope.

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CSO: 4200/348

PHILIPPINES

PEASANT LEADER DENIES NPA ROLE IN ILOILO PEOPLE'S STRIKE

Quezon City ANG PAHAYAGANG MALAYA in English 11 Nov 85 p 9

[Article by Benjie Guevarra: "Red Scare vs. Farmers"]

[Text]

A peasant leader is accusing the military of orchestrating a "smear campaign" against a militant farmers' group in Panay Island to alienate local support for the growing national peasant movement.

Basilio Propongo, chairman for the Visayas of the Kilusang Magbubukid ng Pilipinas, said the military has initiated a "Red scare" by claiming that the recent "Welgang Bayan" in Iloilo was actually led by the New People's Army.

"It's rather sad that the local media, particularly the broadcasters, have been wittingly or unwittingly used by the military in spreading black propaganda on the alleged communist-inspired 'Welgang Bayan' late last month," he lamented.

Armed guerrillas put up checkpoints province-wide and engaged government troops in several skirmishes as the KMP-affiliated Kambingan sang Mangayon sang Mababang Panay staged the strike Oct. 22-24 as part of KMP's national peasant campaign.

KMP is asking for six basic demands, including the implementation of genuine land reform and the lowering of agricultural production costs.

Propongo denied reports that the rebel assaults were part of

the Kamipa's "Welgang Bayan," claiming the peasant group had obtained support only from the local chapter of the Bagong Alyansang Makabayan headed by human rights lawyer Olegario Santisteban.

"It's possible that the NPAs merely coincided their activities with our protest move," the KMP official said as he noted that the communist guerrillas have long been operating in the island, particularly in the Iloilo towns of Janinay, Calinog, Lambunao and Tuhungan.

Propongo flew over to Manila Nov. 5 to attend KMP's executive council meeting to assess its nationally-coordinated protest activities which climaxed last Oct. 21, the 13th anniversary of what they called the "farces!" land reform movement.

PHILIPPINES

BUSINESSMEN EXPRESS DOUBTS ON RECOVERY

Manila BULLETIN TODAY in English 11 Nov 85 p 27

[Text]

In spite of successful economic stabilization measures adopted by the government, business leaders have expressed doubts on the early recovery of the local economy.

Felix Maramba Jr., president of the Philippine Chamber of Commerce and Industry (PCCI), aired businessmen's doubts the other day during a symposium on problems and prospects of Philippine business held at Pablo Nicolas auditorium of De La Salle University.

Maramba was of the view that there won't be any upturn in the economy by the middle of next year because businesses have shown stillness. He expressed the hope, however, that the economic crisis would flatten out or hit bottom by next year.

Some economists have predicted that the economy will start recovering this year. But others said it would not be impossible considering the wide gap in economic growth to be achieved from the

base year when the crisis was felt until the present.

Economic growth, as measured by the gross national product (GNP), was achieved during the 1970s with a level of more than five percent. In 1983, GNP was recorded at more than three percent. For the year of 1984, however, it was recorded at negative 5.31 percent and during the first semester this year, it had a negative 4.6 percent.

Maramba said that economic growth during the 1970s was negated by political and economic factors. He did not elaborate on the political aspect but explained it was interrelated with the economic aspect considering the loss of confidence by businessmen on certain government policies.

He said that businessmen today cannot plan ahead because of the changing policies and strategies, citing the trade liberalization policy that would be adopted starting January 1988, a poli-

cy reversing earlier policies of restricting importation.

He also cited the recently-issued reforms on taxation which he said would effectively increase tax rates on sales of goods from importer to manufacturer down to the retailer and consumer.

However, he cited the achievements of the government in easing the crisis, saying that "all conditions we prayed for have been realized" such as the lowering of the interest expense from 45 percent to between 18 and 21 percent prime, lowering of inflation rate from a peak of more than 63 percent in 1963 to 12.7 percent in September this year, and the restoration of the \$3 billion trade facility.

Whether or not the country will use the \$3 billion trade facility, the government has to pay a 1 1/4 percent commitment fee, Maramba added.

Officers of the Philippine Chamber of Commerce and Industry said economic recovery is difficult to achieve primarily because private businessmen are no better off at present compared to their condition before the signing by the gov-

ernment of a \$3 billion trade credit with the country's foreign creditors.

They said intensified smuggling activities, the import liberalization scheme and plans to impose new taxes create an atmosphere of uncertainty which dampen overall economic activities.

Former PCCI president Dante Santos said that while problems of businessmen have significantly changed right now compared to the ones which confronted them before the availability of foreign credits, current problems are worse, if not even worse, as before.

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CSO: 4200/348

PHILIPPINES

CEBU BUSINESS CONFERENCE FOCUSES ON RURAL VENTURES

Quezon City ANG PAHAYAGANG MALAYA in English 11 Nov 85 p 7

[Text]

More than 500 businessmen from Metro Manila and from the country's 12 regions are participating in the 11th Philippine Business Conference on Nov. 15-16, 1985 at the Cebu Plaza Hotel in Cebu City, it was announced yesterday by Philippine Chamber of Commerce and Industry, sponsoring organization.

The two-day conference will address itself to the project proposals that have been identified in pre-PBC workshops as viable and profitable, and to national policies, issues and programs that must accompany these projects.

According to the PCCL, of the more

than 100 business proposals submitted, 26 were considered as "most promising and viable." Complete project studies on these business proposals will be available during the conference in Cebu.

Among the proposals to be taken and their respective locations are: strawberry processing in Baguio; goat production in Region I; mushroom production in Balaoanan, La Union; gill net and fish trap project in Alaminos, Pangasinan; gold small-scale mining in Tuba, Benguet; furnace-type kiln drier plant and prawn production in Tuguegarao, Cagayan;

Tomato by-products in Nueva Ecija; rice-hull brick manufacturing in San Rafael, Bulacan; yellow and sweet corn production in Palawan; black pepper production

in Laguna; integrated tannery in Masbate; cassava chips and flour processing in Castilla, Sorsogon; and ipil-ipil charcoal and leafmeal production in Albay;

Prawn production in Sta. Magdalena, Sorsogon; pineapple preserves processing in Daet, Camarines Sur; citronella grass in Region V; napier grass in Region V; mango processing in Alubhon, Jordan, Guimaras; coffee processing in Iloilo; sweet potato production and processing in Negros Occidental, Capiz, Iloilo and seaweed production in Sulu, Tawi-tawi;

Castor bean production and processing in Balingasag, Misamis Oriental; white bean production in Bukidnon; integrated tannery in Cagayan de Oro; and crocodile farming in Cotabato and Maguindanao.

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CSO: 4200/348

THAILAND

ARMY PARTICIPATION IN GOVERNOR'S RACE DESCRIBED

Bangkok BANGKOK POST in English: 15 Nov 85 p 3

[Text] HEAVY voter turnouts were registered in the Army-dominated Bang Khen and Dusit districts and all were in favour of Maj-Gen Chamlong Srimuang, but the turnouts near Air Force and Navy bases was disappointingly low.

The turnouts in these areas were not as high as expected, following Army Commander-in-Chief Arthit Kamlang-ek's appeal for the military and their families not to vote for party candidates.

The *Bangkok Post's* own survey, which covered 34 polling stations in the Army-dominated districts showed that only 7,894 out of a possible 29,005 eligible voters cast their votes, representing 27.2 per cent (excluding invalid ballots). Of that, 6,620, or 83.9 per cent of the turnout, voted for Chamlong, while the Prachakorn Thai candidate M.R. Chetchan Pravit came a distant second.

Of all the Army units, the First Artillery Regiment in Dusit district registered the heaviest turnout at 52.9 per cent. A total of 698 out of a possible 1320 cast their votes. Of that, 660 voted for Chamlong.

The five polling stations near the 11th Infantry Regiment in Bang Khen, had the highest number of eligible voters at 4,827. Of that total, 1,770 cast their votes or 36.7 per cent. Of these,

1,633 voted for Chamlong.

At one polling station near the Air Force's security force and training school in which there were 1,718 eligible to vote, only four did so, or 0.23 per cent. Two of them voted for Chamlong while the other two were split between Chetchan and Democrat candidate Chana Rungsaeng.

Polling stations eight, nine, 10, 11, and 12 in the compound of the Bang Khen district headquarters, which is next to the 11th Infantry Regiment headquarters on Paholyothin Road, were hectic as soon as they opened at 8 a.m.

The turnouts seemed to be heaviest at polling stations eight and nine at Bang Khen district with 768 and 712 eligible votes respectively. The voters, all of whom are soldiers from the 11th Infantry Regiment, queued up until shortly before noon to cast their ballots under supervision of their commanders.

At other nearby stations, civilians, believed to be soldiers' families, were also seen lining up to vote, something which has not happened in a long while at City elections.

All the soldiers questioned by *Post* reporters said they voted for Maj-Gen Chamlong. They admitted at having been ordered to vote for the independent candidate but said they would have voted for him anyway.

Lt-Col Prapharn Nilawong, commander of the First Battalion of the 11th Regiment, told the *Post* that the soldiers in his unit, numbering about 1,500, were given an opportunity to vote. Those who were on duty took turns to come to the polls, he said.

"It's the Army's policy to promote democracy and we adhere to that," the commander said.

He said he was happy to see a heavy turnout at most of the polling stations in the Bang Khen area and praised the district officials for having been well prepared.

Throughout the voting, three students, representing the Prachakorn Thai Party, were present to observe at the polling stations in Bang Khen.

At the polling stations in Soi Sailom off Paholyothin Road in Phya Thai district, soldiers from the First Battalion of the First Infantry Regiment showed up in force to vote for the Army's favourite candidate.

A company commander told the *Post* that all 150 men under him voted for Maj-Gen Chamlong.

In contrast, polling stations near the Air Force headquarters at Don Muang were relatively quiet. Polling station number five, at Don Muang school opposite the airport, had 1,144 Air Force privates registered. None of the eligible voters had shown up by 12.15 p.m. less than three hours before the polls closed.

At the polling stations in front of the Anti-Aircraft Division at Kiakkai which is in Dusit District, the atmosphere was less hectic than at those in Bang Khen.

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CSO: 4200/342

THAILAND

CABINET-APPROVED BANK DECREE PUBLISHED

Bangkok BANGKOK POST in English 14 Nov 85 p 18

[Text]

THE following are contents of the urgent Royal Decree amending the Bank of Thailand Act B.E.2485. The draft was approved by the Cabinet on Tuesday.

Article 3: The following have been added as additional clauses of Article 29.

Section 5 bis: The Fund for Reviving and Developing the Financial Institutions System.

● Contained under Article 29-2:

"Financial Institution" refers to:

(1) Commercial banks under the Commercial Banking Act;

(2) Finance companies, finance and securities companies, and credit foncier companies under the Finance, Securities and Credit Foncier Act;

(3) Other institutions which operate monetary businesses as defined by the Finance Minister in the Royal Gazette.

"Fund" refers to the Fund for Reviving and Developing the Financial Institutions System.

"Manager" refers to the Fund Manager.

● Article 29-3 A fund, called the Fund for Reviving and Developing the Financial Institutions System, is established within the Bank of Thailand. The Fund is a juristic body, and its objectives are to revive and develop the financial institution system, making it both secure and stable. It has "Management Staff" whose functions are separate from those of other staff.

Any financial institution which fails to contribute to the Fund for Reviving and Developing the Financial Institutions System up to the amount required under Article 29-5, must contribute double the shortfall.

● Article 29-4 The Fund comprises:

(1) Money received under Articles 29-5 and 29-7;

(2) Money and assets granted;

(3) Money and other assets belonging to the Fund;

(4) Interest of the Fund.

● Article 29-5 Financial institutions are required to contribute money to the Fund at a rate set by the Fund Management Board, with the approval of the Cabinet. The rate is not over 0.5% of outstanding deposits, outstanding lendings or outstanding money taken from the public each year, as of the end of the year before the contribution. This is in line with regulations, procedures and period set by the Fund Management Board.

The rate in the first paragraph may be set differently, according to the type of financial institution.

In calculating the contribution, the deposit or loan which a financial institution has borrowed from the Fund cannot be included in the calculation.

In the case where the Fund has sufficient capital and assets to operate according to its objectives, the Fund Management Board may announce a suspension of contributions.

● Article 29-6 Any financial institution which fails to contribute to the Fund up to the amount required under Article 29-5, must make a contribution double the shortfall. This is under regulations and procedures set by the Fund Management Board.

● Article 29-7 The Bank of Thailand may, if it is deemed suitable, contribute its reserves under Article 9 to the Fund occasionally.

The Bank of Thailand may provide a reserve in advance to the Fund if necessary, but the Fund must repay the amount within the period set by the Board, and the Board may require the Fund to pay returns on the reserve.

● Article 29-8 The Fund is empowered to undertake any activity under objectives stated in Article 29-3 and such power includes:

(1) having rights over or possessing assets, buildings, purchasing, earning, selling, distributing, leasing, renting,

hire-purchasing, renting for hire-purchase, borrowing, lending, taking mortgages, exchanging, transferring, or other actions concerning assets, located both locally and abroad, including donated assets.

(2) lending money to a financial institution, but subject to sufficient collateral.

(3) guaranteeing, availing, or promising monetary notes.

(4) providing financial assistance to depositors or creditors of a financial institution which has been damaged as a result of a serious financial crisis.

(5) depositing money in a financial institution should the Board consider it necessary and suitable.

(6) buying or holding equity in a financial institution.

(7) buying, discounting or rediscounting monetary notes, or accepting the transfer of claiming rights from a financial institution.

(8) borrowing money, issuing monetary notes and bonds.

(9) investing to earn income with the approval of the Board.

(10) running any activity which would enable the management to achieve the objectives of the Fund.

● **Article 29-9** It has a Board, called the Fund Management Board, made up of the governor of the Bank of Thailand as chairman, the Permanent Secretary of Finance as vice chairman, and board members appointed by the Finance Ministry. It must have at least five persons but must not exceed nine.

The manager is the secretary of the Board.

● **Article 29-10** Each Board member appointed by the Finance Ministry has a three-year term.

In the case where a Board member appointed by the Finance Ministry retires before the term's expiry, or in the case where the Finance Ministry appoints an additional Board member while other appointed Board members are still active, the term of the new member, either replacing the retired member or joining as an additional member, will have the same expiry date.

On completion of the term, as stated in the first paragraph, should there be no appointment of new members, retiring members can continue working until new appointments are made.

The retired member can be re-appointed, but not for more than two consecutive terms.

● **Article 29-11** Apart from retirement due to the expiration of the term as stated in Article 29-10, a Board member appointed by the Finance Ministry is considered retired when he

- (1) dies
- (2) resigns
- (3) is dismissed by the Finance Minister
- (4) is bankrupt.
- (5) is an incapable person
- (6) is sentenced to jail by the court, except for minor offences.

● **Article 29-12** The meeting of the Fund Management Board must comprise of at least half the total Board members to form a quorum.

The decision of the meeting will abide by the majority. Each member has one vote. In the case of a draw, the chairman of the meeting will cast the deciding vote.

● **Article 29-13** The Board is empowered to set policy and control and generally supervise the operation of the Fund. Such power and responsibility enables it

(1) to set regulations in compliance with Articles 29-3, 29-5 and 29-8.

(2) to set regulations concerning meetings and operation of the Board.

(3) to set regulations for the operation of the manager.

(4) to consider other affairs assigned by the Bank of Thailand.

● **Article 29-14** The Board chairman and Board members can receive benefits permitted by the Finance Minister.

● **Article 29-15** The Board is empowered to appoint and dismiss the manager.

The manager must be appointed from among the Bank of Thailand's officials.

● **Article 29-16** The manager must run the operation of the Fund according to objectives and the authority of the Fund; management of the operation must be in accordance with policy or regulations set by the Board.

In running the operation, the manager is responsible to the Board.

● **Article 29-17** Regarding the Fund's business related to outsiders, the manager represents the Fund, and in doing this, the manager is authorised to appoint a representative or any person for any specific task. This must be in accordance with regulations set by the Board.

● **Article 29-18** The Fund's money may be used to achieve the objectives of the Fund, and be regarded as expenses for operating the Fund, including other payments under this Section.

THE following are the contents of the urgent Royal Decree amending the Finance, Securities and Credit Foncier Act B.E.2522, 2526. It was approved by the Cabinet last Tuesday and will be enforced after announcement in the Royal Gazette.

● **Article 3:** The following have been added as additional clauses of Article 10 bis of the Finance, Securities and Credit Foncier Act.

Article 10 bis: Any person who will act on behalf of a company established under foreign laws with an office in the country must receive permission from the Bank of Thailand, and must be subject to any condition.

Articles 13, 41 and 52 do not govern the permitted in the first paragraph.

● **Article 4:** Revoke versions in the second and third paragraphs of Article 14 of the Finance, Securities and Credit Foncier Act and replace them with these versions.

"A person is not allowed to hold over 10% of the total sold shares of a finance company, unless the shareholder is a government agency, a state enterprise, the Fund for Reviving and Developing the Financial Institution System, established under the Bank of Thailand Act, or juristic persons appointed under a specific law. However, if it is necessary to improve the bank's position or operation, the minister, with the recommendation of the Bank of Thailand, has the authority to allow the shareholding structure. In doing that, the minister is authorised to set any condition.

The holding of the following persons is regarded as shares held by the person in the second paragraph:

(1) The spouse of the person in the second paragraph.

(2) A minor child of the person in the second paragraph.

(3) An ordinary partnership in which the person in the second paragraph or the person in (1) or (2) is a partner.

(4) A limited partnership in which a person in the second paragraph or (1) or (2) is a partner with unlimited responsibility, or is a partner with responsibility over 30% of the total capital of that firm.

(5) A limited company in which a person in the second paragraph or (1) or (2) or a partnership under (3) or (4) holds combined shares over 30% of the total sold shares of that company.

(6) A limited company in which a person in the second paragraph or (1) or (2) or a partnership under (3) or (4) or a limited company under (5) holds combined shares over 30% of the total shares of that company.

● Article 5: Revoke Article 17 in the Finance, Securities and Credit Foncier Act and replace with these versions:

Article 17: A finance company must have at least 100 ordinary persons as shareholders, and;

(1) Their combined holding is not lower than 50% of the total sold shares, and;

(2) Each shareholder must hold not more than 0.6% of the total sold shares.

All the sold shares in the first paragraph will not include shares of which the holder is a government agency, a state enterprise, the Fund for Reviving and Developing the Financial Institution System, or a juristic person set up under a specific law.

Any finance company which fails to comply with the requirement at any moment, can ask for relaxation from the Minister, who is authorised to set the deadline and any condition for the relaxation.

A finance company must have Thai nationals holding at least three-fourths of the total sold shares, and must have Thais holding at least three-fourths of the directorships. However, in the case where it is necessary to improve the position or the operation of that finance company, the Finance Ministry, with the recommendation of the Bank of Thailand, is empowered to allow other

structures of shareholdings and board directors. In relaxing the ruling, any condition may be set.

Versions in the first paragraph are not allowed to be enforced on a finance company which is a state enterprise.

● Article 6: Revoke Article 20 of the Finance, Securities and Credit Foncier Act and replace it with these versions:

Article 20: A finance company is not allowed to:

(1) Reduce its registered capital without permission from the minister.

(2) Possess real estate, except when:

Any person who will act on behalf of a company established under foreign laws with an office in the country must receive permission from the Bank of Thailand, and must be subject to any condition.

(a) Using as the operation's premises with the permission of the Bank of Thailand,

(b) Receiving as payment for a debt,

(c) Belonging to a finance company which operates a financial business for a housing estate.

(3) Accept its own shares or other finance companies' shares as collateral.

(4) Buy or possess shares of any limited company over 10% of that company's total sold shares, unless approved by the Bank of Thailand.

(5) Buy or possess shares of other finance companies, except when:

(a) Taking it as repayment of a debt, or guarantee of a loan, but it must be sold within six months.

(b) Taking it from the operation of other businesses with the approval of the Finance Minister.

(c) Taking it with the permission of the Finance Ministry, on the recommendation of the Bank of Thailand.

(6) Operate other businesses apart from approved finance businesses, unless approved by the Finance Ministry.

Finance companies which are permitted to operate finance businesses for development are also allowed to operate the following businesses:

(a) Act as agent or representative in arranging loans or investment capital for industrial, agricultural, or commercial enterprises, or managing the lending of a loan or investment capital to such enterprises.

(b) Providing services in planning or analysing projects for investment.

(c) Act as a financial or operational adviser for industrial, agricultural or commercial enterprises.

(d) Act as adviser in the takeover or merger of firms.

Finance companies which are permitted to operate capital for commercial firms are permitted to act as guarantor under regulations and conditions set by the Bank of Thailand.

(7) Extend credits to directors of that finance company.

The following activities are regarded as the extension of credits to that director too.

(a) Extending loans to a director's spouse and minor child.

(b) Extending loans to an ordinary partnership of which a director or the person in (a) is a partner.

(c) Extending loans to a limited partnership of which a director or (a) is an unlimited responsibility partner or a partner with limited responsibility over 30% of the total sold shares of that firm.

(d) Extending loans to a limited company of which a director or (a) or a partnership under (b) or (c) holds combined shares over 30% of that company.

(e) Extending loans to a limited company of which a director or (a) or a partnership under (b) or (c) or a limited company under (d) holds combined shares over 30% of the total sold shares of that company.

(f) Guaranteeing or availing any monetary notes issued by a director or (a) or a partnership under (b) or (c) or a limited company under (d) or (e).

(g) Guaranteeing any debt of a director or (a) or a partnership under (b) or (c) or a limited company under (d) or (e).

(8) Remove the head office, or branch office of a finance company without permission from the Bank of Thailand.

(9) Pay money or other properties to a director, staff or employees of that finance company as commission or returns for or due to any action or running of that finance company with the exception of normal payment.

(10) Sell or give any real estate or property of which the combined value is above the limit set by the Bank of Thailand to a director, or purchase assets from a director, including the person in (a), or a partnership under (b) or (c) or a limited company under (d) or (e).

(11) Advertise the operations of that finance company, except for advertisements conducted under conditions set by the Bank of Thailand.

(12) Commit or allow any outsider who is not a director, manager, or an employee of that finance company to have authority in managing that company, except with approval from the Bank of Thailand.

(13) Take any action that may cause damage to the country's economy, or to the public's interest, or to take advantage of its clients, or obstruct the development or competition in the financial institution, or create a monopoly.

● **Article 7:** Add these versions as the fifth paragraph of Article 26 bis of the Finance, Securities and Credit Foncier Act.

"In the case where a finance company must decrease or increase its capital, or merge its operation with other finance companies under a project approved under the second paragraph or via a ruling under the third paragraph, the Public Company Act and Articles 1225, 1226 and 1240 do not apply."

● **Article 8:** Add these versions as Article 26 quarter of the Finance, Securities and Credit Foncier Act:

"Article 26 quarter: To improve the position or the operation of a finance company, or for the benefit of preserving the stability of the monetary or financial institution system, the minister, with the recommendation of the Bank of Thailand, is authorised to order that finance company to stop all, or parts of its operation, for a certain period. In doing this, any condition can also be set."

● **Article 9:** Revoke versions in (7) of Article 54 of the Finance, Securities and Credit Foncier Act and replace them with these versions:

"(7) take capital from the people, except through the issuance of debentures or borrowing of loans with a maturity not shorter than one year, this is under the conditions set by the Bank of Thailand."

● **Article 11:** Revoke versions in the first paragraph of Article 57 of the Finance, Securities and Credit Foncier Act and replace them with these versions:

"Article 57: When evidence appears before the Bank of Thailand that any finance company's position or operation is in a situation that may cause damage to the public's interests, the Bank of Thailand is empowered to order that finance company to improve its position or operation within a certain period of set by the Bank of Thailand. In doing this, it is authorised to order that finance company to increase or decrease its capital."

● **Article 12:** Revoke versions in Article 57 bis of the Finance, Securities and Credit Foncier Act and replace them with these versions:

Article 57 bis: When evidence appears before the Bank of Thailand that any finance company is in a difficult position or its operation may cause damage to the public, or that a director or a person who is responsible for the operation of that company, did not comply with the orders of the Bank of Thailand under Article 57 first paragraph, or Article 57 ter, the Bank of Thailand is authorised to dismiss that director or that person from his position. In the case where the Bank of Thailand orders the dismissal, that finance company is required to appoint another person, with the approval of the Bank of Thailand, to fill that posi-

tion within 30 days after the dismissal.

In the case where a finance company does not dismiss or does not appoint another person after the dismissal, the Bank of Thailand, with the approval of the Finance Minister, is authorised to

(1) Dismiss that person.

(2) Appoint any person(s) to fill the position(s) for a certain period which will not exceed three years and that person shall receive a payment from the finance company as set by the Finance Minister, and during the period that the person holds the post, the finance company cannot revoke or change the Bank of Thailand's order.

The person who was dismissed on the orders of the Bank of Thailand will be not allowed to be involved in or do anything for that finance company, either directly or indirectly, and he must provide any assistance or to the person replacing him.

The order of the Bank of Thailand regarding dismissal or appointment is regarded as the decision of the shareholders' meeting.

● Article 17: Add these versions as Article 75-13 of the Finance, Securities and Credit Foncier Act.

"... In cases where there is evidence that a person has violated this Act and the Bank of Thailand considers that if action is not taken in time it could cause damage to the public's interest, the Bank of Thailand is authorised to seize or freeze assets of that person. However, the seizure and the freeze must not exceed 180 days, except in the case where there is court action. If court action is not taken within 180 days, the Bank of Thailand can request the court to extend the period."

The Bank of Thailand will appoint its officials to seize or freeze the assets as stated in the first paragraph.

According to the first paragraph, should the Bank of Thailand suspect that the person will flee from the country, the Bank of Thailand can request the court to prohibit that person from leaving the country. And if there is an emergency, the governor of the Bank of Thailand or the person he appoints can request the director-general of the Police Department to prohibit that person from leaving the country for 15 days or unless the court has ruled otherwise.

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THAILAND

DRAFT AMENDMENT TO BANK ACT

Bangkok BANGKOK POST in English 13 Nov 85 p 18

[Text]

THE following is the contents of the draft amending the Commercial Banking Act B.E.2505 which was approved by the Cabinet yesterday. It will be enforced as the urgent decree after announcement in the Royal Gazette.

● **Article 3: Revoke Article 5 bi in the Commercial Banking Act and replace with the following versions:**

No individual is allowed to hold over 5% of the total sold shares of a commercial bank, except if the shareholder is a government agency, a state enterprise, the Fund for Reviving and Developing the Financial Institution System, established under the Bank of Thailand Act, or a person given jurisdiction in a specific law. However, in case it is necessary to improve that bank's position or operation, the Minister, with the recommendation of the Bank of Thailand, has the authority to allow other share holding structure. In doing that, the Minister is authorised to set any condition.

The holdings of the following persons are regarded as shares held by the person in the first paragraph:

(1) The spouse of the person in the first paragraph.

(2) A minor child of the person in the first paragraph.

(3) An ordinary partnership in which the person in the first paragraph or the person in (1) or (2) is a partner.

(4) A limited partnership in which the person in the first paragraph or (1) or (2) is a partner with unlimited responsibility, or is a partner with responsibility holding over 30% of the total capital of that firm.

(5) A limited company in which the person in the first paragraph or (1) or (2) or a partnership under (3) or (4) holds combined shares over 30% of the total sold shares of that company.

(6) A limited company in which the person in the first paragraph or (1) or (2) or a partnership under (3) or (4) or a limited company under (5) holds combined shares over 30% of the total shares of that company.

● **Article 4: Revoke Article 5 quinque in the Commercial Banking Act and replace with these versions:**

Article 5 quinque — A commercial bank must have at least 250 ordinary persons as shareholders, and,

(1) Their combined holding is not lower than 50% of the total sold shares, and,

(2) Each shareholder must hold not more than 0.5% of the total sold shares.

All the sold shares in the first paragraph will not include shares of which the holder is a government agency, a state enterprise, the Fund for Reviving and Developing the Financial Institution System, or a person given jurisdiction in a specific law.

Any bank failing to comply with the requirement at any period can ask for relaxation from the Minister, who is authorised to set the deadline and any conditions for the relaxation.

All banks must have Thai nationalities holding at least three-fourths of the total sold shares, and must have at least three-fourths of the directors as Thais.

However, state-owned banks are exempted from these requirements.

● **Article 5: Revoke Article 12 of the Commercial Banking Act and replace with these versions:**

Article 12: A bank is not allowed to:

(1) Reduce its registered capital without permission from the Minister.

(2) Extend credits to directors, or guarantee any debt of directors, or aval notes issued by directors.

(3) Accept its own shares or other banks' shares as collateral.

(4) Possess real estate, except,

(a) What is used as operational premises with the permission from the Bank of Thailand, and

(b) Received as the payment for debt.

(5) Buy or possess any company's share over 10% of that company's total sold shares, or buy or possess any firm's shares of which the value is over 20% of its own capital. However, this can be done with the permission of the Bank of Thailand.

(6) Buy or possess other banks' shares, except in the form of debt repayments or collaterals. However, these must be sold within six months, or the Minister can set any relaxation.

(7) Pay money or other properties to directors, staff or employees of the bank as commission for the bank's operations, except in forms of bonus, salary, reward, or other normal payments.

(8) Sell or give real estate, or properties, of which the combined value is higher than allowed by the Bank of Thailand to directors, or buy properties from directors, including the persons in the Article 12 bi, however, the Bank of Thailand can make exceptions.

(9) Take any action that may cause damage to the country's economy, or to the public interest, or take advantage of clients, or pose as an obstruction to the development or to the competition in the financial institution, or monopolise.

● Article 6: Revoke Article 12 bis in the Commercial Banking Act and replace with these versions:

Article 12 bis: The credits extended to the following persons are regarded as credits to directors of the bank too:

(1) A director's spouse.

(2) A minor child of a director.

(3) An ordinary partnership of which a director or (1) or (2) is a partner.

(4) A limited partnership of which a director or (1) or (2) is a partner with unlimited responsibility or a partner with limited responsibility over 30% of the total sold shares of that firm.

(5) A limited company of which a director or (1) or (2) or a partnership under (3) or (4) holds combined shares over 30% of that company.

(6) A limited company of which a director or (1) or (2) or a partnership under (3) or (4) or a limited company under (5) holds combined shares over 30% of the total sold shares of that company.

● Article 7: Revoke (8) of Article 12 quarter of the Commercial Banking Act and replace with these versions:

(8) Is manager, deputy manager, assistant manager of a partnership or a limited company of which he or the person in the Article 12 bi holds shares, except is a director or an adviser of a commercial bank and has not any commitment authority.

● Article 8: Revoke the first paragraph of Article 15 bi of the Commercial Banking Act and replace with these versions:

Article 15 bis: A bank must close its account book every six months. If any bank has worthless or irrecoverable or doubtful irrecoverable assets as determined by the Bank of Thailand with the approval of the Finance Minister, that bank has to write off such assets, or reserve money for such assets at the end of the accounting period, except where permission to act otherwise has been granted by the Bank of Thailand.

● Article 9: Revoke Article 16 of the Commercial Banking Act and replace with this version:

Article 16: Within four months of the end of the accounting year, a commercial bank must announce its balance sheet and profit-loss account which were approved by the shareholders meeting in the form prescribed by the Bank of Thailand in a public place at its office, publish it in at least one daily newspaper, and submit it to the Finance Minister and the Bank of Thailand within 21 days of the shareholders meeting's approval, except otherwise allowed by the Bank of Thailand.

The balance sheet in the first paragraph must be approved by a qualified auditor, and he must not be a director, or an employee of that bank.

● Article 10: Add these words as the Article 17 bi of the Commercial Banking Act:

Article 17 bis: To improve the position or the operation of a bank, or for the benefit of preserving the stability of the monetary or financial institution system, the Minister, with the recommendation of the Bank of Thailand, is authorised to order a bank to stop all, or parts of its operation, for a certain period. In doing that, any condition can be set.

● Article 11: Revoke Article 22 in the Commercial Banking Act and replace with these words:

Article 22: In case the Bank of Thailand considers that a commercial bank:

(1) Always fails to hold its cash reserve up to the required level.

(2) Always fails to hold its property reserve up to the required level.

(3) Took deposit or extended credit or created any commitment without proper record, or made up credit extension record.

(4) Extended credit or invested over the limitation, or extended credit at a huge sum without proper collaterals.

(5) Extended credit or invested in any business that the bank or its directors were involved, or extended too much credit to the bank's shareholders, or with unusual conditions.

(6) Did not write off worthless or irrecoverable asset from the account.

(7) Did not reserve for doubtful, worthless or irrecoverable assets.

(8) Violated or did not follow what was required by the Bank of Thailand for the public interest.

The Bank of Thailand is authorised to order the commercial bank to do or to stop doing, or improve the activities in the first paragraph. In ordering that, any condition and time limit can be set.

● **Article 12:** Revoke Article 24 of the Commercial Banking Act and replace with these words:

Article 24: The Finance Minister is authorised to appoint a commercial bank examiner to examine and report on the operation and assets of that commercial bank, or to authorise the Bank of Thailand to appoint its official to be the commercial bank examiner. However, the Finance Minister cannot appoint or authorise the Bank of Thailand to appoint any person to examine or acknowledge the operation or asset of a private person, and particularly a commercial bank, except in the case of Article 35 (3).

● **Article 13:** Add these versions as Article 24 bis and Article 24 ter of the Commercial Banking Act:

Article 24 bis: When evidence appears to the Bank of Thailand that a commercial bank's position or operation is in a situation that may cause damage to the public interest, the Bank of Thailand is empowered to order that bank to improve its position or operation within a certain period set by the Bank of Thailand. In doing this, it is authorised to order that bank to increase or decrease its capital.

Should the commercial bank not increase or decrease capital within the period set by the Bank of Thailand as ordered in the first paragraph, the Bank of Thailand's order

will be regarded as the decision of the shareholders meeting after the period expires.

In case there is urgent necessity to require a commercial bank to increase or decrease capital to enable that bank to survive and continue its operation, the Bank of Thailand will order that bank to increase or decrease capital immediately and the Bank of Thailand's order will be regarded as the decision of the shareholders meeting.

In increasing or decreasing capital as in the second or third paragraph, Articles 1220, 1224, 1225 and 1226 of the Civil and Commercial Code, and the Article 149, second paragraph (2), Articles 152 and 154 of the Public Company Act will not be applied.

Article 24 ter: When evidence appears to the Bank of Thailand that a commercial bank has a position or operation in a situation that may cause damage to the public interest, or a director or a person who is responsible for the operation of that bank does not follow the order of the Bank of Thailand under the Article 24 bis, the Bank of Thailand is authorised to dismiss that director or person from his position.

Should the Bank of Thailand order the dismissal, the bank is required to appoint another person, with the approval of the Bank of Thailand, to replace him within 30 days of the dismissal.

Should the commercial bank not dismiss the person in the first paragraph or fails to appoint another person after the dismissal, the Bank of Thailand, with the approval of the Finance Minister, is authorised to dismiss that person, or appoint any person(s) to fill the position(s) for a certain period which will not exceed three years and the version in the Article

quarter (8) will not be applied.

The person appointed by the Bank of Thailand shall receive return payment from that bank as set by the Finance Minister, and during the time that person is in the position, the bank cannot revoke or change the order of the Bank of Thailand.

The person who is dismissed by the order of the Bank of Thailand will be not be allowed to be involved or do anything in his former bank, either directly nor indirectly, and he must provide convenience and facts to the person replacing him.

The order of the Bank of Thailand in dismissing or appointing is regarded as implementing the decision of the shareholders meeting.

● **Article 14:** Revoke Article 35 of the Commercial Banking Act and replace with these versions:

Article 35: For the benefit of Article 24 or Article 26, a commercial bank examiner or the authorities concerned will have the following power:

(1) Order directors, staff or employers of any bank, the bank's auditor, or the bank's collector for information held in computers or other machines, or to produce any copy or account book, documents, or other evidence concerning the bank's operation, assets and liability.

(2) Enter the premises of any commercial bank, or into the place where information is kept or stored, check computers or other machines, during the working hours of that bank to examine its operation, assets and liability, including other documents, evidence, or information of that bank.

(3) Enter to examine the position or the operation in the premises of a commercial bank's debtor, including ordering the debtor or the party concerned to give verdict or submit copy or produce account book, document or other evidence concerning the case in which the bank is suspected to have acted under the Articles 22 (3) (4) or (5).

In doing (3) the commercial bank examiner or the authorities concerned must receive permission from the Bank of Thailand Governor or the Finance Minister.

● Article 15-17: Any bank that violates this Act is liable to a fine of up to one million baht or 10 years' imprisonment, or both.

● Article 18: In case there is evidence that a person has violated this Act and the Bank of Thailand considers that action has not been taken quickly enough, or it may cause damage to the public interest, the Bank of Thailand is authorised to seize or freeze the asset of that person. However the seizure and the freezing will not exceed 180 days, except when there is legal action. In case legal action is not taken within 180 days, the Bank of Thailand can request the court to extend the period.

The Bank of Thailand will appoint its officials to seize or freeze the asset as stated in the first paragraph.

According to the first paragraph, when the Bank of Thailand suspects that the person will flee the country, the Bank of Thailand can request the court to prohibit that person from leaving. And in cases of emergency, the Bank of Thailand Governor or the person he appoints can request the Director General of the Police Department to prohibit that person from leaving the country for 15 days or until the court gives a ruling.

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THAILAND

BANKER WARNS OF ECONOMIC STAGNATION

Bangkok THE NATION in English 17 Nov 85 p 2

[Text]

A LEADING banker said yesterday that the Thai economy is reaching a point of stagnation and called on the government to take appropriate measures to boost the economy.

"We are now in a twilight zone which is dangerous," Chairman of the Executive Board of the Bangkok Bank Dr Amnuay Viravan warned.

He said the authorities should not simply think of stability as a means to solve problems, adding that a proper balancing concept is needed, otherwise the country's economy will reach a static point and affect all types of businesses.

Dr Amnuay and Secretary of the Board of Trade Thapana Bunnag were two representatives from the private sector who took part in the panel discussion on "Outlook of the Thai Economy: Bright or Gloomy?" organized by Thammasat Association at the Ambassador Hotel.

Other panellists included Deputy Finance Minister Dr Suthee Singsaneh, Deputy Governor of the Bank of Thailand Chavalit Thanachanand and Secretary General of the National Economic and Social Development Board Dr Snoh Unakul.

Amnuay stated that the government and private sectors have often looked at problems from different points of view with the former having a more macro perspective influenced by politics and the latter concerned about growth and maintenance of jobs at the micro level.

Amnuay said Thailand has to become less reliant on foreigners to succeed in exports and this also covers self-sufficiency in technology. "The private sector has to go out and fight, not like officials who sit in air-conditioned rooms," he asserted.

He said he hopes the authorities will do something about taxes to alleviate the burden of the people and provide more investment incentives. Thailand, he added, has been slow to capitalize on world trade growth of eight per cent last year.

He said people in both the public and private sectors should adhere to the four principles of hard work, austerity, honesty and team work.

These were adopted by the Europeans some 200 years ago, although they appear to be forgetting them today, but the principles are still practised by the Japanese, Koreans, Taiwanese and Singaporeans but not yet in ASEAN.

Commenting on the possibility of commercial banks helping to boost the economy by lowering interest rates, Amnuay said that bankers want lower interest but the whole financial system must be restructured to achieve this.

Commercial banks have been performing less well this year because they are an intermediary making loans to business, which is affected by economic recession. There has been less lending and subsequently the income of commercial banks is being slashed.

Meanwhile, Thapana lashed out at "politics" among civil servants in their attempt to get promotions, saying such activity has affected the well-being of the people.

He said the authorities have been ignoring small and medium business firms which form the backbone of the Thai economy in providing employment. Many of these firms are now going out of business or have already done so.

He painted a bleak prospect for world commodity trade in 1986 with a forecast of exportable grain surplus of 61 million tons and more than 20 million tons of rice.

Thapana said the Board of Trade wants the government to set targets to increase the purchasing power of the people and generate more employment.

MILITARY LOANS

They were apparently advocating "more of the same" for next year with an emphasis on boosting the efficiency of the bureaucratic and marketing systems to allow the private sector to play its role in promoting investment and employment.

Dr Suthee advised caution on calls by various circles for the government to take the lead in demanding management policy to boost business. While he was under no illusions that all is well, he stressed that the government has never played a leading role as an economic booster, but rather has left the task to the private sector.

He indicated that the scope for demand management was limited due to uncontrollable external factors and all caution must be exercised to maintain the financial and fiscal stability of the nation.

Echoing the view of the Finance Ministry, Dr Snoh said briefly, "Safety first." He was apparently referring to the current unfavourable situation, where the government expenditure, debt and import policy has reached its limit.

The country's top planner however indicated that there is some light, particularly for measures announced by the Group of Five to bring down the value of the US dollar with a "soft-landing." But Dr Snoh lashed out at the agricultural policy of western nations which heavily subsidize and dump farm products on the world market, causing further price deterioration.

He called for rapid understanding and cooperation between the public and private sectors, as well as the military establishment, and the need to act for the survival of the nation. Dr Snoh also outlined "aggressive" measures to boost funding and efforts in marketing Thai products and to create an environment which will boost the morals of the Thai people so that "they would not give up and become too tired to fight."

Chavalit, reflecting the statements of both Dr Suthee and Dr Snoh, said stability appears to be the strength of the Thai economy in the short run and it must be preserved at all costs. He said Thailand has experienced this kind of situation before and has overcome it. "At present, Thailand, is still doing well, compared to other ASEAN countries and others in the Far East," he said.

He said that people must look to the future with hope, and the government's policy must be adopted in such a way as not to cause problems for the private sector, adding that the Central Bank will favour priority sectors in its lending policy to manage the foreign exchange policy, keeping in mind the importance of the country's

exports especially at this time.

The Bank of Thailand will also stress on maintaining the stability of the local financial situation and institutions. But he was quick to point out that the additional power of laws recently proclaimed, is by no means an end in itself, but rather it is the honesty and efficiency of private sector management that matters most.

Dr Suthee said the Finance Ministry is not unaware of the desires of the private sector. In regard to measures to assist falling prices of commodities worldwide, he said. "We have to push harder to adjust our bureaucratic system to achieve flexibility. We have to help ourselves more and investment programmes must stress quality, not quantity."

He called for fiscal measures to expand the tax collection base, such as tax on property, which is being debated right now, and to provide incentives to promote investment.

The government will spend cautiously to maintain fiscal stability, and public sector investment will stress projects to generate employment. The foreign debt ceiling is now being brought down to \$1,000 million and unnecessary projects will be postponed.

Dr Suthee, replying to questions from the floor, said the fiscal authorities are formulating new personal income tax forms which will be easier to fill out. The judgement on a tax increase on interest earned from commercial bank deposits will be based on equity principle between low income depositors and those with high income and on a more proper balance between tax on dividends and monthly personal income.

Dr Snoh, meanwhile, declared that an "economic war" has started in international trade and Thailand must act against protectionism and dumping "for which we are still unprepared." He said that the Commerce Ministry has now been granted more funds for marketing and all agencies will have better information at hand.

Snoh indicated two strategies, one called "mosquito" and the other "integration." The former will yield flexibility, and the latter is an integrated approach, like the programme approved by the Cabinet last week to promote vegetable and fruit exports.

BY-ELECTION

The MP said that Democrat candidate Chana Rungsaeng's defeat in the city governor election would not have adverse repercussions on the party's chances in the upcoming by-election, because newly-elected Governor Maj Gen Chamlong Srimuang was non-partisan. He added that the governor-elect's popularity among Bangkokians is only temporary.

The Democrat Party is expected to field former Fourth Army Region Commander Gen Harn Leenanonda in the contest. The other candidate will be picked during the party meeting Tuesday afternoon.

SAP last Friday set up a three-member committee to nominate party candidates to stand in the by-election. Party deputy secretary general Montri Pongpanich said after a meeting last Friday that the party attached much importance to the contest. He quoted M.R. Kukrit as declaring in the party meeting that even though he was too frail to mount a campaign stage, he was determined to join the electioneering.

Chat Thai secretary general Banharn Silapa-archa said that his party was looking for qualified people to field in the by-election.

"In my view, we should contest the polls. Well, others have had fun in the election spree and we want to have fun too," he said.

Banharn said that the party was expected to pick candidates to enter the race at the end of this month.

Meanwhile, Prachakorn Thai MP Yingpan Manasikarn said the results of the city governor election would not discourage the party, and it is bent on entering the Bangkok by-election in Constituency One.

PROJECTS

Deputy Governor of the Bank of Thailand Chavalit Thanachanand echoed the necessity to review big projects because of unfavourable economic, fiscal and monetary conditions. "We have to use our resources efficiently," he said.

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CSO: 4200/342

THAILAND

POLICE, POLITICAL PARTY CAMPUS INFILTRATION UPSETS ACADEMICS

Bangkok LAK THAI in Thai 24 Oct 85 pp 21-23

[Unattributed report: "The Underground Movement at Ramkhamhaeng, the Internal Security Operations Command and the Communist Party of Thailand"]

[Text] In Issue 187, LAK THAI published a story about an academic movement. There had been reports that the ISOC [Internal Security Operations Command] was trying to curtail academic freedom at Ramkhamhaeng University, which is an open university.

Now, a large group of students and instructors have demonstrated to show their feelings about this. In particular, the Ramkhamhaeng University Student Association and the Athipat Party, a student party at Ramkhamhaeng University, are holding Hyde Park style debates and attacking this government unit, which they feel is interfering with academic freedom and halting academic and intellectual growth.

The Athipat Party Is Taking Action

LAK THAI went to Ramkhamhaeng to investigate this matter. Our first contact with this movement was the Athipat Party, a unit at Ramkhamhaeng University that is taking resolute action on this matter. Several leaders of the Athipat Party, who must remain anonymous, told LAK THAI that the story printed by LAK THAI was true. They said that many of their instructors, particularly instructors in the Faculty of Political Science, have frequently told them that there is not as much academic freedom as there should be because government intelligence units closely monitor the activities of instructors and students. This has been going on for a long time. But no one has dared say anything about this because these activities have been carried on secretly and there is little evidence.

Academic freedom at Ramkhamhaeng University has been curtailed without the use of definite regulations. But students and instructors know what is happening. Mr Wanloet Kittitharakun, an advisor to the Athipat Party and the president of the Ramkhamhaeng Studentbody Association in 1984, told LAK THAI that there are many groups at Ramkhamhaeng University. Some of these groups are composed of people whom the students and instructors know to be "people working for the state." They have infiltrated the university in order to monitor the various

activities and movements at Ramkhamhaeng. These people consider themselves to be real "people of the state." They send reports and biographical files on instructors and other students to higher units. The instructors, who are civil servants, are very frightened by this. They are afraid of being transferred, dismissed or fired because of these dark influences. It is these groups that frequently create incidents at Ramkhamhaeng.

Students are frequently able to determine who is who and who is working for whom. Many times, these people of the state reveal their identity when they realize that the students whom they have been watching and whose activities they have been reporting are really good people who just hold different opinions.

Military Academics

The former president of the Ramkhamhaeng University Studentbody Association said that many "spies" have infiltrated the ranks of the instructors. He said that he has talked with many university administrators and political science instructors about the "military academics," as they are called. There are many university instructors, such as Dr Wisanu Khruangngam, who hold positions openly. The question that has arisen is whether there are any instructors at Ramkhamhaeng who would like to be "military academics." The administrators told him that there are definitely such people. There are many people who would like to be offered this position. When no one offers this to them, they present themselves in order to secure an offer. At present, there are many who are "waiting for an offer."

While waiting for an offer, these instructors try to build up their importance. They try to act like secret "military academics" by monitoring the activities of their colleagues and reporting things to the "senior people" from whom they are seeking an invitation. They even involve themselves in the activities of students and try to manipulate things from behind. They have even gone so far as to establish student groups to counterbalance other groups.

The State and the CPT [Communist Party of Thailand]

A LAK THAI news source said that the instructors who are interested in building a base using student forces can be divided into many different factions. But the two most obvious factions are the state and CPT factions. Both these factions try to persuade the students to follow them. Another faction is composed of those instructors who do not side with either the leftist or rightist factions. These instructors are not interested in the political activities at Ramkhamhaeng University.

The roles played by these various groups of instructors have a great effect on the instruction provided at Ramkhamhaeng University. In particular, those who consider themselves to be "rightists" view those who hold different views as "mistaken people." They provided detailed reports on the activities of these people. A by-product of this is that the state does not have to spend any money or effort on this or issue orders itself.

Actually, infiltration of student groups has been going on for such a long time that the student movements have all been emasculated. The state has now turned its attention to the instructors. This became evident in 1983. For example, in 1978 the infiltrating units focused on the students by holding seminars and taking students to camps. Initially, training seminars were held at the tennis courts on Chok Chai 2 Lane in the Lat Phrao area. After this training was completed, the students were sent to a camp; that is, the Naresuan Camp at Hua Hin in Prachuap Khiri Khan. Administrators and instructors in the Faculty of Political Science at Ramkhamhaeng University were behind this. These instructors coordinated things on the inside. As for outside coordination, a doctor with the initials "SR" is the one who coordinated things.

The students who were sent to attend these seminars included students who opposed the activities of student groups involved in political activities. In particular, October was a time for opposition activities, such as the 14 October activities. Some instructors were definitely supporting this from behind.

Secret Support Funds From Political Parties

Besides the reasons mentioned above, another reason for the increased attention being focused on instructors concerns funds given to support the activities of various groups at Ramkhamhaeng University, with the funds given on an informal basis. Certain groups and political parties outside the university give these groups tens of millions of baht a year. Some instructors have admitted that some of this money comes from the secret government fund. During the conflict between the "hawks" and the "doves," the flow of funds stopped. The organizations working for these units at Ramkhamhaeng lacked money and so their activities declined. To compensate for this, the role and involvement of certain instructors increased.

Mr Wanloet Kittitharakun concluded by saying that if such activities continue at Ramkhamhaeng University, academic growth will be stunted and students will not be given the broad education that they deserve.

As for why a hue and cry was not raised at the very beginning and why this has been allowed to go so far, Mr Wanloet said frankly that the reason is that people are afraid. They are afraid of what might happen to them. The matter has burst now because of the oppression. The instructors are dissatisfied. If this continues, activities at Ramkhamhaeng may come to a halt, and the number of instructors who dare to speak out will decline.

Tutor Who Was Roughed Up By the "Man With the Crewcut" Identified

LAK THAI asked about the tutor who gained prominence for exposing this matter and who was roughed up by a "man with a crewcut" for doing this. We were told that this tutor is a 5th-year student in the Faculty of Political Science. His name is Mr Kittichai Arachon. At present, he is active in the Thoetram Party. He has waged a strong fight against this. He has also fought against many other political pressures at Ramkhamhaeng. He has become a bone in the throat of many people. Thus, it is not clear whether he was roughed up for having

exposed this matter or for some other reason. But what is clear is that this was ordered by the "man with the crewcut." Because almost all the disputes in which this tutor has been involved have been disputes with people working for the "man with the crewcut."

Many Regional Institutions Have Been Infiltrated

Something else that is important is the matter of secret units infiltrating student activities and playing a role in academic affairs. Mr Wanloet said that this is not happening just at Ramkhamhaeng University. It is happening at other institutions of higher education, too. This is particularly prevalent in the provinces, such as in Phitsanulok, Khon Kaen and Maha Sarakham. This is also going on at various teachers' colleges. At Khon Kaen University, it has reached the point where medical students have been prohibited from participating in activities. However, it is the teachers' colleges that have been affected the most. These secret units are probably focusing on the education students because they want them to play a role in molding youths in the way that they want. These units are doing this without any consideration for the broad education that students should be receiving. This is a serious restriction of educational and academic freedom.

Professor Koson: Let the Whole Army Come

LAK THAI also talked with Professor Koson Rotchanaphan, the vice rector of Ramkhamhaeng University, in order to obtain the facts about this matter. Professor Koson said that the university has never stipulated the role that instructors are to play. The university is a broad stage. Instructors on both the left and right are free to play a role in their academic field. Everyone has this right. He said that he does not know anything about the ISOC threatening and controlling instructors. No one has ever complained. As for monitoring people, that is an intelligence matter. That is the responsibility of the officials concerned. If this is happening at Ramkhamhaeng, he feels that there is nothing unusual about this. He just does his job as usual. He doesn't care if someone is watching him. He feels that the time for using this as a line is long past. "I am not depressed by this. They can bring in the whole army to watch me if they want. I don't care. If that's what they want to do, let them."

Professor Koson also said that this all depends on whether a person has violated a law. He doesn't know how many Special Branch Division, ISOC or CPT agents have followed him. Perhaps none have. He has never been told and has never heard anything about this. No one has ever forbidden him from doing something. "But what has happened may not be what was intended."

The vice rector of Ramkhamhaeng University said that the matter of gathering intelligence must be kept separate from the matter of using influence in order to exert pressure or put a stop to something. These are very different matters. Politics is a very sensitive issue at Ramkhamhaeng University. There is much student activity. This is quite normal. When people infiltrate groups, the students sometimes find out who is involved and what unit they are working for. The students are used to this. He said that he is used to this, too.

LAK THAI asked if it was true that certain instructors at Ramkhamhaeng hope to become military academics. Professor Koson said that that is true. There are many instructors who want to become military academics. He said that he is not interested in what role they would play. Such people won't last very long. Whenever the people above them lose power, they, too, lose their power and role. This is of no importance.

Students at Ramkhamhaeng University have taken action on this matter. They have submitted a letter to the rector, Professor Sukhum Nuansakun, in order to inform him of the facts. The question is how the rector will respond. As for what action to take, that is a difficult matter. It probably isn't possible to send a letter to the ISOC asking them to stop their activities. But it will also be difficult to allow this to continue. And so what will the rector do?

11943

CSO: 4207/52

THAILAND

STUDENT LEADER QUESTIONS ISOC CAMPUS PRESENCE

Bangkok WIWAT in Thai 15-21 Oct 85 pp 4, 5

[Letters column: "ISOC Versus Ramkhamhaeng University"]

[Text] Extremely urgent
POP 2850
1 October 1985

Subject: The mass media recently published a story stating that the Internal Security Operations Command (ISOC) is interfering with academic freedom at Ramkhamhaeng University. I would like to present the facts about this.

To: The rector of Ramkhamhaeng University through ATHIT WIWAT.

In the Education Column of the 12 September 1985 issue of LAK THAI, a political news magazine, there was an article entitled "The ISOC and Education, a Lesson at Ramkhamhaeng." I have attached a copy of the article.

The Athipat Party at Ramkhamhaeng University has been following this matter because it concerns the reputation and honor of the university. We have been following this ever since that article appeared in the magazine. The university, which is directly involved in this matter as the entity responsible, or the Studentbody Association and Student Council, which are the legal representatives of the students, are not demonstrating just in order to protect the academic rights and freedoms violated by the ISOC in carrying on activities at Ramkhamhaeng University.

The Athipat Party feels that this article has had a very negative effect on the university's reputation and honor. The Athipat Party is just a small student party that was established just recently. But preserving the reputation and honor of the university, protecting academic freedom and allowing activities within the university to be carried on free from interference by state units are important and necessary tasks.

Thus, the Athipat Party asks that the administrators of Ramkhamhaeng University explain this matter to the mass media and students as soon as possible. We ask that the people responsible answer the following questions:

1. Does the ISOC play a secret role in controlling the course contents and teaching methods of the instructors at Ramkhamhaeng? Have they sent agents to spy on the instructors while they teach? If so, what action will the university take to put a stop to these activities, which are a serious violation of academic freedom?
2. Is it true that the ISOC has tried to prevent the students from being taught the truth about the political administration by means of "signals," "notices" and "orders?" What is the truth about this?
3. What action will the university take to prevent the frequent violation of physical freedoms within the university?
4. Is it true that the ISOC has held training seminars for instructors from Ramkhamhaeng University? What is the university's policy on this?
5. It is well known that political units of the state are carrying on activities at Ramkhamhaeng University and that these units are interfering with academic freedom and various activities. Military, Special Branch Division and ISOC units are involved. Does the university know about this? What is its policy on this and does it approve of this?

Today, the ISOC controls and guides certain student parties and certain student leaders and instructors. It has infiltrated agents into various groups and organizations. This is bad for the university and the people.

If these things are not true or if certain points are wrong, the people responsible must not sit by idly. They must explain things to the students, mass media and people. But if these things are true, the Athipat Party wants to express its opposition to the fact that the ISOC is interfering with academic freedom and activities here.

The Athipat Party calls on the university and the people responsible to explain the truth to the students and mass media as soon as possible. Because if this is allowed to drag on, it will damage the reputation and honor of Ramkhamhaeng University.

The Athipat Party stands by everything stated in this open letter. We wish to inform you of these things and ask you to take action.

Sincerely,

Mr Nikon Chanphrom
Secretary General, Athipat Party
Ramkhamhaeng University

11943
CSO: 4207/52

PEOPLE'S REPUBLIC OF KAMPUCHEA

HENG SAMRIN CONFERS ORDERS ON LAO LEADERS IN VIENTIANE

BK020723 Phnom Penh SPK in French 0425 GMT 2 Dec 85

/Text/ Phnom Penh, 2 Dec (SPK)--Heng Samrin, general secretary of the KPRP Central Committee and chairman of the PRK Council of State, at the head of Cambodia's party and state delegation to the 10th National Day of the LPDR, conferred honors on Lao leaders on 30 November, according to our correspondent. During a ceremony the Cambodian leader presented the "Angkor" Order, the highest honor of the PRK, to Kaysone Phomvihane, general secretary of the LPRP Central Committee and chairman of the Council of Ministers; and Souphanouvong, Political Bureau member of the LPRP Central Committee and chairman of the SPC of the LPDR.

On this occasion Chairman Heng Samrin recalled the great traditions of struggle waged together by the peoples of the three Indochinese countries against the common enemies. He praised the disinterested assistance accorded by the Lao people to the revolutionary cause of Cambodia since its liberation, assistance which, he affirmed, remains engraved forever in the hearts of the Cambodian people.

For his part, Chairman Souphanouvong expressed satisfaction with the brilliant victories won by the Cambodian people in the construction and defense of their revolutionary gains and in the improvement of the people's living conditions. He was of the opinion that the Cambodian revolution was becoming more solid and that in the beacon of the Fifth KPRP Congress resolutions the Cambodian people would effectively carry out their strategic dual task of national defense and reconstruction.

Souphanouvong stressed that it was a great honor for the Lao leaders to be decorated with the highest medal, the "Angkor" Order, which is the symbol of the fraternal Cambodian people's heroic struggle. He was also desirous that the special friendship and solidarity between his country and Cambodia further deepen in the interest of the peoples of both countries and of peace in the region and the world.

/12228
CSO: 4219/15

PEOPLE'S REPUBLIC OF KAMPUCHEA

PARTY OFFICIAL RECEIVES LAO LECTURERS GROUP

BK021039 Phnom Penh Domestic Service in Cambodian 0430 GMT 2 Dec 85

/Text/ Men Sam-an, Political Bureau member of the Party Central Committee and chairman of the Organization Commission and of the Propaganda and Education Commission of the Central Committee, permitted a Lao lecturers delegation headed by Comrade (Siloeu Maboukham), first vice chairman of the party and state higher political school committee of the LPDR, to pay a courtesy call at the office of the Central Propaganda and Education Commission on the afternoon of 1 December before the delegation returned home.

Comrade (Siloeu Maboukham) briefed Comrade Men Sam-an on the delegation's lecturing activities in Cambodia and talked about the allround great successes and achievements won by the Lao people in the past 10 years under the leadership of the LPRP. He stressed that the victories of the Lao people were also the victories of the three fraternal countries in Indochina, and these victories cannot be separated from the support and assistance of the peoples of Cambodia, Vietnam, and other fraternal socialist countries. The delegation also highly appreciated the great achievements recorded by the Cambodian people over the past 7 years, achievements which have brought the prestige of the PRK to new heights on the international stage.

In her speech, Comrade Men Sam-an thanked the delegation for lecturing in Cambodia on the occasion of the 10th National Day of the LPDR, enabling the Cambodian cadres and people to have a greater understanding of the history, geography, and successes of the Lao nation and people and to learn from the good experiences on national defense and reconstruction of the fraternal Lao people.

Ms Men Sam-an also talked about the development of the Cambodian revolution and the allround great successes recorded by the Cambodian people under the leadership of the KPRP, particularly the great military victories during the 1984-85 dry season. She said that at the time when the Lao people are joyously celebrating their 10th National Day, the Cambodian party, government, and people also join with the fraternal Lao people in this celebration and are determined to always work for the development of the special militant solidarity among Cambodia, Laos, and Vietnam.

/12228
CSO: 4212/29

PEOPLE'S REPUBLIC OF KAMPUCHEA

SPK COMMENTS ON INDIA'S SOLIDARITY WITH PRK

BK300817 Phnom Penh SPK in English 1106 GMT 29 Nov 85

[Text] Phnom Penh SPK November 29--India's solidarity with the Kampuchean people in their resolve to rebuild their shattered country was reaffirmed by Prime Minister Rajiv Gandhi during a luncheon hosted by Vietnamese Communist Party General Secretary Le Duan in Hanoi on November 27. The statement shows India's firm commitment to the policy of peace and non-alignment founded by the late prime minister Jawarhalal Nehru and upheld by his daughter, the charismatic Indira Gandhi, and his dynamic grandson, Rajiv Gandhi.

Since it was led to independence in 1947 by its spiritual leader Mahatma Gandhi, India has always followed a policy of peace and non-alignment. It has consistently sided with oppressed peoples for independence of colonies, for the national liberation movement, and for the right of the nations to self-determination and non-alignment, against colonialism, neo-colonialism, expansionism and imperialism. India also firmly stands behind the idea of making the Indian Ocean a nuclear-free zone.

In particular, India has always sided with the Kampuchean people and the other peoples of the Indochinese peninsula in their hard struggle against colonialism, militarism, imperialism and, lately, expansionism. India's recognition of the People's Republic of Kampuchea in July 8, 1979 clearly testified to this courageous stand.

Under the clear-sighted leadership of the Congress-I party headed by Rajiv Gandhi the Indian people are successfully continuing the cause upheld by the late Indira Gandhi, a great, loyal friend of the Kampuchean people.

We avail ourselves of this occasion to express our gratitude to the Indian people for their support to our just cause in rebuilding the devastated land of Angkor which entertains time-honoured cultural relations with India.

/6662
CSO: 4200/353

PEOPLE'S REPUBLIC OF KAMPUCHEA

SPK MARKS 10TH ANNIVERSARY OF LAOS

BK010604 Phnom Penh SPK in English 1113 GMT 30 Nov 85

["National Day"--SPK headline]

[Text] Phnom Penh SPK, November 30--On December 2, the fraternal Lao people will joyfully mark the 10th anniversary of their victory over the U.S. imperialists and their henchmen, and of the opening of an era of peace, independence and socialism in their country. The entire Kampuchean people wholeheartedly welcome this great event.

The historic victory of December 2, 1975 was the fruition of the Lao people's national democratic revolution with the breaking of the yoke of colonialism which had weighed on them for many decades.

That victory was great not only because it liberated the Lao people from the rule [of] colonialism and feudalism but also because it contributed to the strengthening of world peace and increased the strength of socialism.

In the 10 years of the new regime led by a working-class party, the Lao people have become true master of their country and their society. They live in revolutionary enthusiasm and with the fullright to participate in the construction of their beloved country to make it strong and advance it quickly on the path of peace, independence, democracy, unity and prosperity.

The people of Laos, like those of Kampuchea and Vietnam, earnestly aspire for a life in peace and for peaceful coexistence with their neighbours and with other nations in the world.

Ten years is a brief period. But the Lao people have overcome all difficulties and have obtained great success in national development. They have become self-sufficient in food. In 1984, rice output reached 1.32 million tonnes, doubling that of 1975. Per capita output increased to 374 kg from 145 in 1975. Industrial output has played an active role in the GNP. In 1984, it reached kip 1,079 million (Lao currency), and this year it is expected to total kip 1,670 million, an increase of 1.5 times over 1975. The whole of the Lao people are now literate whereas the rate was only 20 percent in the old regime.

While celebrating the 10th national day of Laos, the Kampuchean people are greatly overjoyed because they themselves have recorded great success in national defense and construction, particularly in protecting the revolutionary gains with the great [word indistinct] inspired by the resolution of the fifth congress of the People's Revolutionary Party of Kampuchea.

Conscious that their achievements are inseparable from the resolute support and traditional militant solidarity of the Lao people as well as the Vietnamese people, the Kampuchean people are very happy to see that the ties between the three countries have become stronger day by day and are acting as a decisive [words indistinct] development for the revolution in each country. The Kampuchean people cherish these relations with all their hearts and will make them ever [word indistinct] still more fruitful.

The presence of a Kampuchean high-level party and state delegation headed by General Secretary Heng Samrin in Vientiane on this occasion testifies to our love, respect, and friendship to their bosom friends in Laos.

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CSO: 4200/353

PEOPLE'S REPUBLIC OF KAMPUCHEA

SPK COMMENTARY MARKS KUFNCD'S ANNIVERSARY

BK031328 Phnom Penh SPK in English 0609 GMT 3 Dec 85

[Text] Phnom Penh SPK December 2--This December 2 is very significant to the Kampuchean people because it marks the seventh anniversary of the United Front for Construction and Defence of the Kampuchean Fatherland, formerly the Kampuchean United Front for National Salvation.

This memorable day is also known as the "day of solidarity of the entire people" following a decision of the third congress of the front, to mobilize all efforts of the people for revolutionary cause.

This year, the front's anniversary assumes a greater importance since it is preceded by the Fifth Congress of the People's Revolutionary Party of Kampuchea, during which great emphasis was laid on the role played by the front in rallying the people under the party's leadership in overthrowing Pol Pot's genocidal regime and in defending and rebuilding the country ever since.

Seven years ago, faced with the agony of the people, a number of revolutionaries got together and formed the Kampuchean National United Front for National Salvation in a liberated area. They called on all strata on the population to rise up against the criminal gang which had killed 3 million people and ruined the country.

The front's, with its 11 point-programme, succeeded in winning the hearts of all true compatriots at home and abroad. Soon, a revolutionary army was set up and, together with the population and assisted by Vietnamese army volunteers defeated Polpotist clique and saved the nation from extinction. The birth [of] the front on December 2, 1978 was closely followed by the emergence of the People Republic of Kampuchea on January 7 the following year--two great dates in Kampuchea's modern history, two great dates which have given rise to successive victories of the Kampuchean revolution.

Through all the trials they have experienced, the Kampuchean people have come to learn that "unity is strength and division is death." This nation has gleaned from its long history and will remember for every. [as received]

For this reason, December 2 always reminds us with the might of national unity. It reminds us of the great sacrifices made by the best sons and daughters

of the nation--the many revolutionary cadres, combatants, peasants, intellectuals, monks and the minority nationals--for motherland. The Kampuchean people, on this occasion, also remember with boundless gratitude the timely internationalist assistance of the Vietnamese volunteer army, and cherish the memories of those who have laid down their lives for the revolutionary cause of this country.

Most especially, December 2 fills us with confidence in the strength of socialist-patriotism, of national unity and solidarity, in our ultimate victory over all enemies--Chinese expansionism, U.S. imperialism and all other reactionary forces. It increases our determination to strengthen solidarity with all fraternal socialist countries, especially with Vietnam, Laos and the Soviet Union, for our success in consolidating national independence and in the advance to socialism.

/6662

CSO: 4200/353

PEOPLE'S REPUBLIC OF KAMPUCHEA

STATION EDITORIAL MARKS KUFNCD ANNIVERSARY

BK021715 Phnom Penh Domestic Service in Cambodian 1300 GMT 1 Dec 85

/Station Editorial: "Warmly Welcome the Great Successes Made by the KUFNCD in Its Activities During the Past 7 Years"

/Text/ With great pride in their splendid past achievements as well as in the current emulation movement to make achievements to mark the brilliant success of the Fifth Party Congress, on 2 December the Cambodian people from all walks of life in all localities throughout the country will joyfully take part in celebrating the seventh anniversary of the Kampuchean National United Front for National Salvation /KNUFNS/, presently the Kampuchean National United Front for National Construction and Defense /KUFNCD/ which is a broad national political organization indispensable in any revolutionary movement.

The KNUFNS, presently the KUFNQHXPLWAS created on 2 December 1978 when the genocidal Democratic Kampuchean regime--lackey of the Beijing expansionists--was intensifying the massacre of its own people and sinking the Cambodian fatherland into a deep abyss of great disaster by implementing the insane Maoist policy of obscurantism. The birth of the KNUFNS was then the sunlight from the East that brought hope and smiles to all Cambodian people as well as peace- and justice-loving mankind throughout the world. The 11-point statement and the appeal made in the liberated zone by the front's Central Committee then constituted the beating of drums rousing all Cambodians to rise up as one man who, together with the liberation army and the wholehearted support of the fraternal Vietnamese Army volunteers, fought and toppled the genocidal Pol Pot-Ieng Sary-Khieu Samphan regime and drove the genocidal clique and its boss--the Beijing expansionists--to flee for refuge in Thai territory, thus opening a new era of the glorious PRK regime--the firm base for ensuring peace and stability in Southeast Asia--and totally frustrating the Beijing expansionists' ambition in this region.

Seven years have elapsed. Thanks to the harmonious unity of all patriots, to the participation of the Cambodian people from all walks of life who have confidence in our new regime and are well aware of their duties as citizens and genuine masters of the country, to the correct and wise leadership of the KPRP, and the vigorous support and assistance given us by the party, government, and fraternal people of Vietnam and the fraternal socialist countries, our front has made a long, successful stride and is scoring successes in all

fields. This is clear proof that within only a short period of time, a peaceful life has been restored and is being improved and strengthened in accordance with the 11-point policy set forth at its birth by our front. This also proves to our people and the world that our front is really a front of the people and for the people and that it always maintains its popular characteristics.

The front's network has been expanded through villages, communes, and production solidarity groups. It has more than 1.5 million members who constitute an effective core force capable of educating and stimulating our people to struggle vigorously for national defense and construction. This is in accordance with the definition by the Fifth Party Congress which says: The task of the KUFNCD is to always strengthen the unity of the entire people and the fraternal minority nationals in the country and encourage and stimulate our people to strengthen their patriotism, love for the new regime, and sense of being masters of the country, join in the revolutionary movements, and strive to successfully carry out the policies and tasks set forth by the party, state, and the front.

Thanks to its clear lines, the front has successfully and correctly organized and mobilized forces and enjoyed immense support of the people who have actively participated in the movements to defend and make our fatherland advance toward socialism, opposed the subversive maneuvers of the enemies of all stripes, united firmly around the party and the front, and jointly struggled to surmount all obstacles in order to fully realize national solidarity in the Cambodian society. Intellectuals who survived the massacre during the genocidal Pol Pot-Ieng Sary-Khieu Samphan regime are now responsible for a proper role in the new society. Regarding religion, the front has created favorable conditions for the revival of all religious beliefs and resolved sectarian differences in one religion, thus consolidating the unity among religious believers. Concerning Buddhism, the front has paid particular attention to monks, elders, learned laymen, and Buddhist followers, thus ensuring the correctness and purity of Buddhism and guaranteeing religious worship according to the Lord Buddha's teachings and the state's constitution. The front has also organized, strengthened, and broadened the people's revolutionary forces, thus making them a firm pillar of our revolution. Many of the front's combatants in various units and localities have been fulfilling their tasks effectively and fruitfully.

As a result of the training provided by our front members at all levels, our people have become well aware of the traitorous nature of the Phantom CGDK which is in fact the Pol Pot clique in disguise and a cheap tool for serving the expansionist schemes in Southeast Asia of the Beijing expansionists. Moreover, our people have voluntarily allowed their sons and husbands to serve in the army, police, and militia units as well as to take part in the national defense labor to build the border defense lines, thus firmly ensuring the defense of our fatherland and the revolutionary achievements.

The Beijing expansionists in collusion with the U.S. imperialists and the reactionary rightists in the Thai ruling circles have stubbornly continued to instigate the genocidal Pol Pot clique and the Son Sann-Sihanouk reactionary groups to conduct subversive activities in an attempt to topple the new regime

of the PRK, thus seizing a chance to return to commit genocidal crimes against our people. For this reason, it is imperative to strengthen and expand our sense of self-assistance, improve our combat ability, and vigorously promote our defense work in ways that go side by side with the national construction work. This requires both academic knowledge and technical knowhow, as well as new ideals and new methods to bring about an appropriate and timely solution to all problems. This also requires the people to unite around the front's banner, consolidate their genuine patriotism, and enhance their will to fight for the defense and construction of the fatherland. The tasks in this new revolutionary stage set forth by the Fifth Party Congress constitute the road to progress of the Cambodian revolution which is in accord with the aspirations of our entire people. These tasks firmly defend the national independence, restoration and reconstruction of the fatherland, and ensure a harmonious and happy life for the people. These are heavy, difficult, and complicated tasks. They require the entire party, /word indistinct/, and army to strive relentlessly to turn party resolutions into practical deeds. The most urgent tasks of all are the defense of the fatherland and the revolutionary gains and the restoration and expansion of our economy and social affairs during the first 5-year period from 1986 to 1990. In this immediate period, it is imperative to consolidate the confidence in the party and revolution, the unity within the KUFNCD, and the special militant solidarity of Cambodia, Vietnam, and Laos and stimulate the Cambodian revolutionary cause toward total victory.

/12228

CSO: 4212/29

PEOPLE'S REPUBLIC OF KAMPUCHEA

REPORT ON AGRICULTURAL DEVELOPMENTS 25 NOVEMBER-1 DECEMBER

BK021119

/Editorial Report/ Cambodian media monitored by Bangkok Bureau carried the following reports on agricultural developments in Cambodia during the reporting period 25 November-1 December.

National level: SPK in English at 1057 GMT on 27 November reports that in the first 10 months of this year, the Ministry of Home and Foreign Trade bought from peasants in the provinces of Kandal, Kompong Thom, Kompong Cham, Siem Reap-Oddar Meanchey, Kratie, Battambang, Pursat, and Takeo 5,400 metric tons of beans, 85 metric tons of groundnuts, 1,005 metric tons of sesame, 920 metric tons of tobacco, 37 metric tons of pine resin, 272 metric tons of palm sugar, 487 metric tons of live pigs, and 50 cubic meters of timber. In the same period, the news agency adds, the ministry exported 4,510 metric tons of beans, 828 metric tons of sesame, 239 metric tons of tobacco, 222 metric tons of dried fish, 2,200 metric tons of live pigs, and 6 metric tons of pine resin in exchange for textiles, bicycles, fuel, and other consumer goods.

Battambang Province: SPK in English at 1126 GMT on 25 November reports that Battambang Province put 187,600 hectares under rice, or 60 percent of the plan, at the beginning of this rainy season. Unfortunately, it notes, 12,480 hectares of rice grown by direct sowing were destroyed by either flood or drought. Even so, the figure presents an increase of 7,000 hectares over last year. Taking the lead in rice planting were the districts of Mongkolborei and Battambang, respectively with 31,230 hectares or 67 percent of the plan, and 25,450 hectares, or 68 percent of the plan. To keep up with the living condition, SPK says, the peasants also covered 12,877 hectares with subsidiary food crops and 3,492 hectares with industrial crops. They are now busy gathering their short-term rice and jute. For this dry season, they will grow rice on 1,000 hectares.

Kampot Province: According to Phnom Penh Domestic Service at 1300 GMT on 25 November, peasants in Chhuk District transplanted more than 10,000 hectares of all types of rice during the past rainy season. According to the Phnom Penh Domestic Service at 1300 GMT on 28 November, the trade office of this province bought more than 10,300 metric tons of paddy from the peasants. SPK in French at 0400 GMT on 26 November reports that during this main rice growing season, despite natural calamities, the peasants in this province succeeded in growing

more than 95,500 hectares of rice, exceeding the plan by 2 percent. So far, Kampot has harvested 15,500 hectares of early rice planted at the beginning of the season with an average yield of 2 metric tons per hectare. For the coming dry season, the province plans to put 1,600 hectares under rice and 1,000 hectares under subsidiary food crops.

Kandal Province: Phnom Penh Domestic Service at 0430 GMT on 25 November reports that peasants of Kandal Province carried out more than 75 percent of the rice growing plan with Phnum Penh district and Khsach Kandal taking the lead with 89 and 82 percent respectively. The radio says that the peasants put more than 10,600 hectares under advanced intensive rice and more than 7,400 hectares under normal intensive rice, or 61 percent of the plan. SPK in French at 1152 GMT on 25 November reports that peasants of Khsach Kandal District transplanted 5,357 hectates of various types of rice out of the 6,600 hectares earmarked for rice planting. They have harvested 3,646 hectares of intensive crops, the news agency adds.

Kompong Cham Province: Phnom Penh Domestic Service at 1300 GMT on 30 November reports that by 22 November, the peasants at Memot District had harvested more than 4,000 hectares of slash-and-burn rice. Phnom Penh Domestic Service at 1300 GMT on 29 November reports that by the end of October, peasants at Dambe District had transplanted nearly 8,000 hectares of various types of rice and planted 53 hectares of corn, more than 1,200 hectares of mung bean, 19 hectares of sesame, 75 hectares of sugarcane, 5 hectares of cassava, and 150 hectares of vegetables.

Kompong Chhnang Province: According to Phnom Penh Domestic Service at 1300 GMT on 27 November, from the beginning of the season to October, peasants at Kompong Tralach District put more than 10,250 hectares of an earmarked 12,600 hectares under all types of rice, including 6,900 hectares of ordinary rice, 1,872 hectares of floating rice, and 95 hectares of slash-and-burn rice.

Kompong Som City: SPK in French at 0400 GMT on 26 November reports that since the beginning of the rainy season, the peasants of Prey Nop, a suburban district of Kompong Som City, have transplanted more than 8,140 hectares of rice, including 560 hectares of short-term rice and 4,100 hectares of medium-term rice, or 90 percent of their plan.

Kompong Speu Province: Phnom Penh Domestic Service at 1300 GMT on 27 November reports that at the end of 1985 there are 130,000 oxen, more than 2,300 buffalos, nearly 47,000 hogs, 320,078 chickens, and 36,000 ducks, and the veterinary service has vaccinated nearly 49,000 head of cattle against epizootic diseases.

Siem Reap-Oddar Meanchey Province: Phnom Penh Domestic Service at 0430 GMT on 29 November reports that during this fishing season, the province plans to catch 8,500 metric tons of fish and fishermen have caught 360 metric tons so far. Phnom Penh Domestic Service at 0430 GMT on 1 December notes that out of the 7,000 hectares earmarked for rainy-season rice growing, peasants at Varin District had cultivated 7,210 hectares, 210 hectares above plan, and had harvested 1,340 hectares of rice by mid-November.

Svay Rieng Province: Phnom Penh Domestic Service at 1300 GMT on 28 November reports that peasants in this province have transplanted, broadcast, or planted more than 110,000 hectares of all types of rice and have received more than 2,800 metric tons of chemical fertilizer, more than 5,000 liters of insecticide, and more than 5,700 kg of rat poison from the agricultural service.

Takeo Province: Phnom Penh SPK in English at 1053 GMT on 27 November reports that peasants in Kirivong District had by the end of October gathered 1,760 hectares of high-yielding rice and 2,000 hectares of short-term rice, with an average output of 2 metric tons per hectare. In the just-ended monsoon, the peasants covered 15,000 hectares with rice and in the last 2 weeks of October they transplanted rice on 300 hectares.

/12228

CSO: 4212/29

PEOPLE'S REPUBLIC OF KAMPUCHEA

BRIEFS

SPK REPORTS THAI 'VIOLATIONS'--Phnom Penh SPK December 3--Thailand's L-19 and A-37 reconnaissance planes 17 times overflow areas at the intersection of Lao, Kampuchean and Thai borders, the Preah Vihear temple (Preah Vihear Province), northwestern Dangkon, Poipet and Phnum Malai (Battambang), and Smatdeng (Pursat), two to 10 kilometres inside Kampuchea, in the week ending Nov. 27. That vessels at the same time made 245 incursions into areas five to 21 miles off Kaoh Kong and Kaoh Tang islands. Thai artillery also made 56 shellings on the areas of Phnum Malai, northwestern Dangkon and southwestern Ta Sanh (Battambang) and Smatdeng (Pursat). Northwestern Smatdeng alone was hit by 900 shells. Khmer reactionaries from Thailand also infiltrated into Kampuchean for sabotage. Yet, they were intercepted by borderguards who put 206 of them out of action. Of these, 100 were taken alive or surrendered. The revolutionary forces also seized more than 100 guns and other weapons. [Text] [Phnom Penh SPK in English 1215 GMT 3 Dec 85 BK] /6662

SRV'S HUYNH TAN PHAT'S VISIT--Phnom Penh SPK November 30--Heng Samrin, president of the State Council of the People's Republic of Kampuchean, received in Phnom Penh Friday [29 November] a visiting delegation of the Vietnam Fatherland Front headed by President Huynh Tan Phat, also vice chairman of the State Council of the Socialist Republic of Vietnam. Speaking to his distinguished guests, President Heng Samrin described their visit as an important contribution to the consolidation of the friendship, solidarity, and cooperation between the two countries. He praised the militant traditions maintained by the three Indochinese countries in the struggle against their common enemy. He thanked the Communist Party, the government and the people of Vietnam for their timely and disinterested assistance to the Kampuchean revolution. For his part, Huynh Tan Phat highly hailed the fruitful efforts exerted in all domains of national rebuilding by the Kampuchean people. He described the last dry-season military victories won by the Kampuchean armed forces in close cooperation with Vietnamese Army volunteers as a very significant success which has greatly strengthened the Kampuchean revolution in its irreversible course. [Text] [Phnom Penh SPK in English 1109 GMT 30 Nov 85 BK] /6662

BENIN COUNTERPARTS GREETED--Phnom Penh SPK November 30--Heng Samrin, president of the State Council of the People's Republic of Kampuchea, has sent a message of greetings to his Benin counterpart, Mathieu Kerekou, on the 13th

independence day of the People's Republic of Benin (Nov. 30). President Heng Samrin says in his message: "We highly appreciate the success recorded by the Benin people under your correct leadership. We would like to express our thanks to the party, the government and the people of Benin for their firm support for the just revolutionary cause of the Kampuchean people. We are convinced that the existing friendship and solidarity between our two countries and peoples will strengthen and develop with every passing day." Foreign Minister Hun Sen has also greeted his Benin counterpart, Frederic Assogba Affo. [Text] [Phnom Penh SPK in English 1104 GMT 30 Nov 85 BK] /6662

VFF DELEGATION VISITS--Phnom Penh SPK 3 December--A delegation of the Vietnam Fatherland Front led by President Huynh Tan Phat left here Tuesday morning after an eight-day official friendship visit to Kampuchea. The delegation was seen off at Pochentong airport by Chea Sim, Politburo member of the People's Revolutionary Party of Kampuchea Central Committee and chairman of both the National Assembly and the National Council of the United Front for Construction and Defence of the Kampuchean Fatherland; Nguon Nhel, candidate Politburo member of the party Central Committee and secretary of the Phnom Penh party committee; Men Chhan, member of the State Council and vice chairman of the Front's National Council; superior bonze Tep Vong, vice chairman of both the National Assembly and the Front's National Council; and other officials. Vietnamese Ambassador Ngo Dien was also present. Monday, chairman Chea Sim and President Huynh Tan Phat signed a five-year (1986-1990) agreement on cooperation between the two organizations. [Text] [Phnom Penh SPK in English 1219 GMT 3 Dec 85 BK] /6662

COOPERATION AGREEMENT WITH VFF--On the afternoon of 2 December at the Chamka Mon State Palace a ceremony was organized to sign a cooperation agreement between the KUFNCD National Council and the Central Committee of the Vietnam Fatherland Front. The Cambodian side was led by Comrade Chea Sim, member of the KPRP Central Committee Political Bureau and chairman of the National Assembly and the KUFNCD National Council; and the Vietnamese side by Comrade Huynh Tan Phat, vice chairman of the Council of State and chairman of the VFF. The agreement was aimed at contributing to increasing the mighty militant solidarity and relations between the peoples of Cambodia and Vietnam for the next 5 years 1985-1990. This ceremony ended in a most happy atmosphere and expressed a warm welcome for the PRK-SRV special militant solidarity to last forever. /Text/ [Phnom Penh Domestic Service in Cambodian 0430 GMT 3 Dec 85 BK/ 12228

TRADE WITH VIETNAMESE SISTER PROVINCES--The economic exchange in 1985 between Kandal Province and both its Vietnamese sister province of Ben Tre and Dong Thap province was much more active than during the previous year. In fact, during the first 9 months of 1985, Kandal Province exported commodities worth riel 9.7 million and imported needed goods from Dong Thap Province worth more than riel 9 million. In the same period, Kandal Province also exported necessary commodities to its sister province of Ben Tre worth riel 0.72 million. Recently, the province held a meeting discussing economic exchange with Dong Thap Province and two meetings discussing economic exchange with Ben Tre Province. In the spirit of this economic cooperation, Kandal Province received more than 170 metric tons of cement from Dong Thap in exchange for 65 metric tons of seed. /Text/ [Phnom Penh Domestic Service in Cambodian 0430 GMT 2 Dec 85 BK/ 12228

RETURNEES TO SIEM REAP REPORTED--From January to November 1985, Siem Reap-Oddar Meanchey Province received 2,796 returnees, including many with the ranks of regiment, division, and battalion commanders. These returnees brought along 1,020 weapons, including ten 60-mm cannons, 37 B-40's, and 5 B-41's, as well as more than 10,000 rounds of assorted ammunition, 25 hand grenades, and 51 mines. /Text/ /Phnom Penh Domestic Service in Cambodian 1300 GMT 29 Nov 85 BK/ 12228

NEW DISTRICTS, WARDS CREATED--Phnom Penh, 1 Dec (SPK)--In a decree, the Council of Ministers decided on the creation of six wards in Pynom Penh. Henceforth, Phnom Penh is made up of four wards and two suburban districts, namely "7 January," Don Penh, Chamka Mon, Tuol Kouk, Russei Kev, and Meanchey. The council also decided to create in Battambang, 300 km northwest of Phnom Penh, three new districts and to add another locality to the provincial city. The three new districts are Bavel, Banan, and Ek Phnum. Three other districts, Battambang, Mongkolborei, and Sangke, have had their administrative boundaries modified. In Kompong Chhnang, a province located 90 km northwest of Phnom Penh, Kompong Tralach District is divided into two districts: Kompong Tralach and Samakki Meanchey. In Ratanakiri, 350 km northeast of Phnom Penh, a new commune, Kalai, was created in Ban Lung District. /Text/ /Phnom Penh SPK in French 0405 GMT 1 Dec 85 BK/ 12228

DEFENSE MINISTER GREETES CUBAN COUNTERPART--Phnom Penh, 2 Dec (SPK)--Bou Thang, PRK minister of national defense, sent his warm greetings to his Cuban counterpart Raul Castro on the occasion of the 29th anniversary of the Cuban Revolutionary Armed Forces (2 December). In his message Minister Bou Thang expressed warm satisfaction with the brilliant victories won by the Cuban people and Revolutionary Armed Forces, stressing that these victories have created favorable conditions for the struggle of other nations in Central America for independence, peace, and socialism. The message hailed the heroism of the Cuban Army which, animated by the spirit of Moncada, has foiled all the maneuvers of the enemy to reverse the course of history regarding the Republic of Cuba. "We are determined to follow the heroism of the combatants of the Cuban Revolutionary Armed Forces, for the total victory of the Cambodian revolution, contributing to the defense of peace in the region and the whole world," the message said in conclusion. /Text/ /Phnom Penh SPK in French 0421 GMT 2 Dec 85 BK/ 12228

CSO: 4219/15

INTERNATIONAL RELATIONS, TRADE, AND AID

VNA ON VO DONG GIANG REMARKS ON UK PULLOUT FROM UNESCO

BK071641 Hanoi VNA in English 1537 GMT 7 Dec 85

[Text] Hanoi VNA Dec. 7--Minister Vo Dong Giang has described the British Government's recent decision to withdraw from UNESCO, an another manifestation of its policy of tailing after the United States in its activities against the progressive trends in the world.

In an interview arranged here this afternoon with the British daily THE GUARDIAN, Minister Vo Dong Giang, chairman of the Vietnam UNESCO Committee, said:

One year ago, the U.S. withdrawal from UNESCO, which was condemned by almost all UNESCO member countries, failed to pressure UNESCO to renounce its progressive program of actions. Today, the British Government's act of tailing after the United States in an attempt to undermine UNESCO will not extricate itself from being condemned by the progressive forces in the world, especially by developing countries, and such acts are doomed to failure.

Under the wise and goodwill guidance of UNESCO Director General A.M. M'Bow and with the warm approval and support, and active participation of almost all UNESCO member countries including Vietnam, UNESCO will certainly overcome all the difficulties caused by the United States and Great Britain, and continue to carry out the programs of actions adopted by UNESCO's 23rd General Assembly, thus contributing to the development of education, science and culture of all nations in the interests of peace, social progress and friendship among nations throughout the world.

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CSO: 4200/359

INTERNATIONAL RELATIONS, TRADE, AND AID

AID TO LAO FORESTRY SECTOR REVIEWED, PRAISED

BK041007 Hanoi Domestic Service in Vietnamese 1430 GMT 1 Dec 85

/Text/ Implementing the plans for cooperation between Vietnam and Laos, for 20 years or more now, the Vietnamese forestry sector has sent hundreds of cadres, workers, and experts to Laos to help the Lao forestry sector organize and develop.

Many cadres and workers who have been surveying, planning, and designing afforestation programs have gone to help their friends survey, plan, and design nearly 2 million hectares of forests in nearly all Lao provinces--from the northern to the central and lower ones--including large provinces with concentrated forests such as Sam Neua, Xieng Khuang, Phong Saly, and Kham Muon.

The Vietnamese cadres and experts have also cooperated with their Lao friends to organize propaganda and mobilize the Lao tribal people to plant trees and protect forests, and have guided them in exploiting forest products and special products of export value in order to contribute to building and developing the economy of their friends' country. Moreover, they have helped their friends organize and build the forest management machinery at provincial, district, village levels and trained many college and high school level cadres and technical workers in the various Vietnamese forestry schools.

In recent years, according to the cooperation plan, the Lao forestry sector has been sending many cadres each year to Vietnam for observation and on-the-job training tours and to exchange experiences in surveying, planning, managing, and protecting forests at various afforestation sites in our country.

Vietnam has also sent cadres and workers to Laos to cooperate with their friends in building joint forestry enterprises. This is a new form of cooperation full of prospects for both the Vietnamese and Lao forestry sectors. Through fraternal cooperation guided by the principle of equality and mutual benefit, many prospects will certainly be open for both the Vietnamese and Lao forestry sectors.

/12228
CSO: 4209/151

INTERNATIONAL RELATIONS, TRADE, AND AID

SOVIET ENVOY'S ARTICLE ON OCTOBER REVOLUTION

BK210430 Hanoi NHAN DAN in Vietnamese 7 Nov 85 p 3

[Article by Soviet Ambassador Extraordinary and Plenipotentiary to the SRV B.N. Chaplin marking 68th anniversary of the Great October Socialist Revolution: "68 Years of Following Lenin's Path and the October Path"]

[Text] Today, the Soviet people, the laboring people in various socialist countries, and all progressive people on this planet solemnly commemorate the 68th anniversary of the Great October Socialist Revolution. The first successful proletarian revolution in Russia under the leadership of the Communist Party headed by great V.I. Lenin ushered in a new era in the history of mankind--the period of transition from capitalism to socialism. The success of the October revolution not only changed completely the fate of various nationalities in Russia, but also constituted a pivotal event of the 20th century and a turning point in the development of world civilization. Our era, as Lenin put it, is one of struggle "to liberate nations from imperialism, stop war among nations, throw off the yoke of capitalist domination, and build socialism."

A profound manifestation these days is that the peoples of the Soviet Union and Vietnam are commemorating a memorable day in the history of relations between the two sides--the 7th anniversary of the signing of the treaty of friendship and cooperation between the Soviet Union and Vietnam. This historic document--which manifested the start of a new qualitative stage in the development of traditional friendly relations between the two countries and peoples--has reflected its increasingly profound substance on our peoples. The relationship between the states and the calculation of the results of the economic, scientific, technical, and cultural cooperation and relations among various social and inventive organizations have developed constantly under many diversified forms. The relationship between the Soviet Union and Vietnam has now become an integral part of the social, political, and economic life of the two countries.

Solemnly commemorating the 68th anniversary of the Great October Revolution, the Soviet people once again look back on the road the CPSU and the Soviet land have traversed in the past to assess the achievements they have scored to resolve more effectively all problems arising from their new tasks.

These days, we are grateful to the combatants who fought for the victory of socialism and extricated the fledgling Soviet land from the wicked schemes of the internal and foreign reactionaries during the difficult years of the civil war. Vanquishing destruction and famine and breaking the political and economic blockade from the outside, the Soviet people, under the leadership of the Leninist Party, in the shortest historical period of time were able to advance their country to a high level of social development. In the Soviet Union, socioeconomic reform was then carried out to the roots: eliminating the exploiting class, building a firm and strong economic foundation of socialism, carrying the cultural revolution, and successfully solving the problem of nationalities.

The socialist social system and economic foundation of the Soviet state stood firm before crucial ordeals during the years of the great war for national defense. This year, the Soviet Union, Vietnam, and the whole progressive mankind have solemnly commemorated the 40th anniversary of victory in this war. The victory of the Soviet Union--the sufficient proof of the vitality and invincible strength of socialism--has left a hallmark on the entire process of the continuous development of the world's history. It has also effected profound changes in the balance of forces on a world scale, thus helping to transform socialism into a world system. The comprehensive consolidation of the Soviet Union's economic and national defense strengths and the coming into being of the world socialist system have created a firm guarantee for the prevention of the resurrection of capitalism from the outside. The party thus drew the conclusion: Socialism has won complete and thorough victory in the Soviet Union.

From a backward country in the past, the Soviet Union has become a strong industrial nation, accounting for 20 percent of the world's industrial output. In 1984, the Soviet Union produced 1,493 billion kilowatt-hours of electricity, 154 million metric tons of steel, 130 million metric tons of cement, and 613 million metric tons of petroleum. The Soviet Union is a world leader in many fields of industrial, scientific, and technological development.

During the last years of the 11th 5-Year Plan, the socioeconomic development of the Soviet state has been increasingly intensified. In the last 9 months of 1985, the volume of industrial products in general increased 3.4 percent over the same period in 1984, while labor productivity increased 3.3 percent, thus permitting the fulfillment of 90 percent of the norms for production development. Owing to the heightening of the masses' enthusiasm in labor and to the clearly defined objectives of the work carried out by the party organs, the soviets, and the economic managerial agencies as well as the various social organizations and groups, the 1985 Soviet state plan for socioeconomic development is being successfully implemented.

The current high growth rate in industrial production is attributable largely to the opening of new areas and the speeding up of the development of productive forces in Siberia and the Far East. An important step forward in fulfilling this task was marked by the completion of the project of the century: the 3,200 km-long Balkan-Amur railway. At present, the main problem is to speed up the exploitation of the mineral deposits in the areas around the Balkan-Amur railways.

The Soviet party and government have always paid attention to developing agroindustrial complexes. Implementing the resolution of the May 1982 CPSU Central Committee Plenum on carrying out the grain and foodstuffs program, agricultural workers are striving to increase continuously the volume of agricultural production. During the 1st 4 years of the 11th 5-Year Plan, agricultural output increased 10.6 percent.

Soviet science has recorded new achievements, including the conquest of space. Last October witnessed the first campaign "to reactive" a space project--the "Salyut" orbital station.

The Soviet Union has ceaselessly applied measures aimed at developing social welfare and increasing the people's prosperity. Since 1965 the people's real income has doubled while the prices of grain and foodstuffs have been basically stabilized. Owing to the implementation of various important social measures in recent years, the real income of farmers has been brought closer to that of workers and office employees.

An outstanding feature of socialism is the completely new quality of life of the workers. For the first time in the world's history, the main social right of man--the right to work--has become a guaranteed reality in the Soviet Union. In the Soviet Union, unemployment has been completely eliminated for half a century, while the number of jobless in the developed capitalist countries registered an average increase of 4.3 times during 1970-1985.

The problem of housing is being successfully resolved in the Soviet Union. Each year, we build more than 2 million new dwellings. In the 1971-1985 period, the housing conditions of nearly one half of the Soviet population were improved. At present, 80 percent of city dwellers are living in private apartments.

At present, the Soviet Communists and all Soviet people are actively working to fulfill the tasks for 1985 and of the 11th 5-Year Plan in general to greet the 27th CPSU Congress, which will open on 25 February 1986. This congress will adopt the newly revised party platform, amend the party statutes, and adopt the basic orientations of Soviet socioeconomic development for the 1986-1990 period and until the year 2000.

The significance of the next CPSU Congress is illustrated by the foremost importance of the issues to be raised for discussion, the character of the present stage, and the novelty and scope of the task of perfecting developed socialism imposed on society. All this has given a special significance to the party's work before the opening of the congress and calls for bold decisions and firm actions.

One of the important steps in this direction was taken at the CPSU Central Committee Plenum held in April 1985, a plenum characterized by an intensive working spirit and a new approach to the complex problems of domestic and foreign policies. The April 1985 Central Committee Plenum and the subsequent CPSU Central Committee conference on the issue of scientific and

technological progress formulated and established the theoretical basis for the thesis of intensifying national socioeconomic development and raising the quality of Soviet society to a new level. The problem is not simply to accelerate the development tempo of the national economy, but to shift to in depth development; to advance in important strategic directions rapidly; to restructure the economy; to apply effective forms of labor organization, management, and incentives; and to resolve the social problems more comprehensively.

To intensify the national socioeconomic development, it is necessary first of all to rely on the basis of scientific and technological progress. The CPSU considers achieving such progress the main direction of its economic strategy and the lever to develop production and enhance production efficiency. At present, the party has set forth the task of improving the quality of the material and technical bases of society. Along with this task, the party will restructure the economy and concentrate capital investments on the priority directions of the national economic development in a more active fashion than in the past. The machinebuilding, chemical industry, electronics, and electronic technology sectors will be strengthened and developed. The importance is not to build new projects but to improve the enterprises currently in operation by furnishing them with new technical equipment.

Naturally, considerable capital investments and time are needed to completely renovate the production apparatus of the national economy. Therefore, in the first stage of the struggle to quickly develop the economy, our main task is to exploit all organizational and socioeconomic potentials, formulate regulations, renovate production organizations, and heighten the masses' sense of initiative and creativity by all means.

As Comrade Gorbachev, general secretary of the CPSU Central Committee, pointed out at the April 1985 Central Committee Plenum: The problem is to encourage the human factor, to enable each person to work zealously in his position and to make the most contributions possible. Today, improving planning work and economic management as well as the various economic building measures is a task of paramount importance to the quest for a substantial improvement in the efficiency of the economy. In the initial stage of broadening and continuing the process of decentralization, the party calls for bold steps forward on the road of expanding the power and autonomy of factories and enterprises and applying economic accounting. On this basis, we will enhance the sense of responsibility and concern of worker collectives for the final results of their labor.

The tasks and orientations aimed at qualitatively transforming the national economy on the basis of the latest scientific and technological achievements and the various measures aimed at promoting social progress in general were considered recently at the CPSU Central Committee Plenum held in October 1985, a momentous event in the life of the Soviet party and people. These tasks and orientations are reflected in the newly revised party platform the new

amendments of the CPSU statutes, the draft resolution on the basic guidelines for Soviet socioeconomic development under the 12th 5-Year Plan and for the period until the year 2000--all these were the documents discussed at the plenum. These documents dealt with the objectives of our party platform, the key issues concerning the basic line of the party's economic strategy and methods of working with the masses in the present stage, an extremely complex and important historical stage that constitutes a turning point in many fields both at home and in the international arena.

In the next 15 years, we must create an economic potential as large as that built up in past few years by the Soviet administration, and we must almost double national income and industrial production output. Labor productivity will also increase 2.3 to 2.5 times. In the new 5-year plan, increments in national income and in output of all basic production sectors are expected due to the increase in labor productivity.

The drafting of the CPSU's revised platform is of great theoretical and political significance, as V.I. Lenin said: "The party always goes before everyone if it has a proper platform that is accepted by all." While discussing the revised platform at the party Central Committee plenum held in October, Comrade M.S. Gorbachev stressed in particular the continuity of the party's fundamental viewpoints. In the revised version, theories are creatively developed and further enriched with principled viewpoints that conform to historical experience. When the content of the platform is changed, the formulas that have not passed the test of time are reexamined with a critical eye, and Lenin's principles for forming the party's platform are taken into consideration.

The party's third revised platform is one designed to perfect socialism in a comprehensive way, through planning, and to continue advancing Soviet society to communism on the basis of stepping up national socioeconomic development. This is a platform that struggles for peace and social progress.

The acceleration of socioeconomic development is closely linked with the platform's theories on ideological work. The perfection of the socialist society requires that priority be given to the task of building a new type of men who are firm politically, who actively build communism, and who are imbued with patriotism and proletarian internationalism. The party has put forth a broad program of ideological work of long-term significance which is intended to meet the new qualitative requirements for the development of the Soviet society. In accordance with a directive of the CPSU Central Committee plenum held in June (1983), all party organizations will gear all their viewpoints among Communist Party members and all the working people so that they can deeply understand revolutionary theories.

The CPSU--the party of Lenin and the tested vanguard unit of the Soviet people--has for 68 years steadily led the most powerful socialist state. Today, the CPSU's great potential lies in its 18.5 million members and 430,000 party chapters at the grassroots level.

Under the conditions of developed socialism, the leading role of the CPSU--the nucleus of the political system in a developed socialist society--is being increasingly consolidated with each passing day, and it calls for ever higher requirements concerning the organization of internal party activities, the operational conduct and methods of all echelons, and the positiveness, responsibility, and principled character of the communists. These requirements are reflected in the CPSU statutes.

The revisions of the statutes are aimed, in the one hand, at further broadening democracy within the party and developing the initiative and positiveness of party members and all party organizations, first of all those at the grassroots level; and, on the other hand, at enhancing the responsibility of party members and party organizations toward common tasks that must be carried out. The more diverse and meaningful internal party activities are, and the broader democracy is observed in the settlement of all key issues--from recruitment of party members to formulation of policy on cadres--the stronger and more effective the impact of the party on all social processes will be.

In this line, the regulations define more accurately the fundamental principles for party leadership over the state organizations and society. The forthcoming changes are meant to enhance the prestige, titles, value, and role of party members, as those who perform the political and mass organization tasks, and to enhance their sense of responsibility in implementing the party's general lines and directives.

In general, the changes to be made in the party regulations will make the new regulations more fruitful and in line with the demands of life. They will help consolidate the party organizationally, based on the tested principles of democratic centralization.

The Soviet people fully concur in and support the domestic and foreign policies of the CPSU Central Committee and Politburo, headed by Comrade M. S. Gorbachev, general secretary of the party Central Committee. Today, the zeal and the atmosphere of creativity which the resolutions of the CPSU Central Committee plenums in April and October this year and Comrade M.S. Gorbachev's speeches and statements have brought about, is being manifested more adequately in the Soviet Union. The viewpoints and conclusions of these documents are motivating all Soviet party members and people to successfully fulfill all the tasks of the 5-year plan and to comprehensively perfect the developed socialist society.

The qualitative changes that Soviet society must make will develop under an increasingly tense international situation. The representatives of war industry corporations and Western countries--those who usually think in terms of outdated notions of "cold war"--want to break the existing strategic military equilibrium and gain military superiority over the Soviet Union. These very ways of thinking have served as the basis for the so-called SDI of President Reagan, who has put forth the "outer space shield" plan so that under its protection he can slash "the nuclear sword" against Soviet territory with impunity. The threat of war comes primarily from the U.S. ruling

circles and the U.S. allies in the NATO bloc. These forces want to "eliminate" socialism and conduct a general psychological war as part of the "crusade" against the Soviet Union and the socialist community as a whole.

The intensive anti-Soviet plan of the imperialist countries contradicts the approach of consolidating the base of international security and establishing positive political dialogue. The Soviet Union rejects the attempt to gain military superiority. Our objective is to reduce the extent of military conflict by way of maintaining existing force levels.

The Soviet Union has shown its responsibility for consolidating international security by discontinuing, since April 1985, the deployment of medium-range missiles and by implementing many other measures in response to the U.S. deployment of medium-range missiles in Europe. Meanwhile, the possible retaliatory measures against U.S. territory continue to be effective. Another evidence of the Soviet peace-loving stand is that since August the Soviet Union has unilaterally suspended all nuclear tests. During his visit to France, Comrade M.S. Gorbachev put forth many long-term initiatives in this connection, such as reducing by 50 percent the nuclear weapons that both the United States and Soviet Union can fire into each other's territory with the condition that both sides' space-based offensive weapons be totally banned.

In the coming Soviet-U.S. summit in Geneva, the Soviet Union will put forth a clear and specific program for easing international tension and protecting peace on earth.

The Soviet Union has proceeded from the viewpoint that the defense of international and regional security are interrelated issues. The political situation around the world actually determines the atmosphere in each region.

We have been increasingly worried about the accelerated militarization of the Asia-Pacific area. The United States is plotting to open the second anti-Soviet battle front from the Persian Gulf to the Aleutian archipelago, creating a NATO bloc in the Pacific based on the anticommunist stand and participation of as many Asian and Oceanic countries as possible. The problem now is the organization of the new Washington-Tokyo-Seoul politico-military structure sponsored by the U.S. imperialists. By contrast, the Soviet Union has consistently implemented a line aimed at consolidating peace and security in the Asia-Pacific area.

The Soviet proposal for cooperation in searching for a way to consolidate security in the Asia-Pacific area--the largest and most populous area in the world--has been increasingly supported by broad segments of the world's public. The Soviet Union does not bind other nations in the region to the cut and dry common security pattern for Asia, but calls on all countries to participate in the formulation of that common pattern, for the future common bilateral and multilateral meetings in Asia can be used to exchange views and make constructive decisions.

The Soviet Union supports the efforts of Vietnam, Laos, and Cambodia to turn Southeast Asia into a zone of peace, stability, and cooperation. The

three Indochinese countries' proposals for settling the most difficult problems in Southeast Asia have created fine political premises for developing the process of constructive dialogue and establishing good-neighborly relations in the region. The Soviet Union resolutely supports the consolidation of unity and solidarity among the three Indochinese countries. It supports the SRV line of assisting the PRK in the struggle against the foreign forces' plots to bind the Cambodian people with the genocidal Pol Pot clique.

The Soviet people are very pleased to see that the fraternal relations between the CPSU and the CPV and the Soviet Union and Vietnam, which are based on the principles of Marxism-Leninism and socialist internationalism, have been consolidated by the treaty of friendship and cooperation signed 7 years ago, and have been constantly developed and strengthened. The heart of these relations is the ideological unity based on loyalty to Marxism-Leninism and close comradely cooperation between the CPSU and the CPV.

The year 1985 is particularly lively from the standpoint of further comprehensively developing the relations between the two sides. The official visit to the Soviet Union by the party-SRV Government delegation led by General Secretary of the CPV Central Committee Le Duan in June 1985 was a new important step in consolidating the fraternal friendship and in comprehensively expanding cooperation. The 28 June joint statement on the results of the visits once again asserts the complete identity of views between our two parties and states on the most important bilateral and international issues.

The official friendly visit to the Soviet Union by Comrade Van Tien Dung, member of the CPV Central Committee and defense minister of the SRV, is an important contribution to the consolidation and development of Soviet-Vietnamese relations.

USSR-Vietnam cooperation in international work for the interests of peace and socialism has produced ever better results. The meeting on 28 August this year between Comrade Shevardnadze, member of the CPSU Central Committee Politburo and foreign minister of the USSR, and Comrade Nguyen Co Tach, alternate member of the CPV Central Committee Political Bureau and foreign minister of the SRV, demonstrated the importance of still closer and coordinated action between the two countries in political and foreign affairs. The common aspirations of the Soviet Union and Vietnam to further consolidate and develop relations on the principles of Marxism-Leninism and socialist internationalism, as well as on the basis of the treaty of friendship and cooperation, have once again been eloquently seen in the recent visit to Vietnam of the Soviet party and government delegation led by Comrade V.I. Varotnikov, member of the CPSU Central Committee Politburo and chairman of the RSFSR Council of Ministers, on the 40th anniversary of the declaration of Vietnam's independence. On this occasion, the Soviet party and government delegation, led by Comrade V.I. Vorotnikov, also participated in the solemn inauguration in Hanoi of the first monument in Southeast Asia in memory of V.I. Lenin--leader of the world proletariat--and the solemn ceremony starting the construction of the Ho Chi Minh museum with nonrepayable aid from the Soviet Union. On the occasion of the friendship visit to the Soviet

Union this summer of the Vietnamese party and government delegation led by Comrade Le Duan, a ceremony was held to lay the foundation for the construction of the Ho Chi Minh memorial at the square named after the great son of the Vietnamese people in Moscow.

The basic and enduring material relations between our two countries lie in our economic cooperation and trade in many fields. The scale of this cooperation has fast developed. Its volume for the period 1981-85 is double that of the previous 5-year plan. Broad horizons are being opened for Soviet-Vietnamese economic cooperation during the coming 5-year plan. Under the guiding Leninist principles of socialist internationalism, the Soviet Union has tended to Vietnam's essential requirements for vigorous development of its key industrial and agricultural sectors, for consolidation of its national defense, and for improvement in its people's livelihood. It has also decided to significantly increase its loans to Vietnam during the coming 5-year plan under special conditions, to postpone the payment of Vietnam's old debts, and to increase the volume of indispensable commodities sent to Vietnam from the Soviet Union, such as oil products, fertilizers, cotton, and yarn.

Each passing year has further affirmed the efficiency of the long-term program--signed on 31 October 1983--of economic, scientific, and technical cooperation between the Soviet Union and Vietnam. This year, many major and new projects built with Soviet technical cooperation have been put into use. These include the unique 5,503-m long Thang Long Bridge over the Red River. The Xuan Mai joint housing construction enterprise has helped double housing construction capacity in Hanoi. In 4 November this year, a solemn ceremony was held to inaugurate the first section of the Song Cong diesel motor plant--a factory with a total output of 100,000 horsepower per year. The products turned out by one of the first of Vietnam's machinery factories will help ensure a basic improvement in the supply of motors to many of Vietnam's economic sectors, such as agriculture, communications and transportation, river communications, and fishery.

The most important economic cooperation task between the two countries is the construction of key fuel and energy projects in Vietnam--the foundation for establishing the independent economy and reliable sources for national industrialization. Work at the Hoa Binh hydroelectric power plant construction site, the largest plant in Southeast Asia with a 2-million kw capacity, has been accelerated considerably. The construction of this giant project has entered a new, important stage: Basic concrete structures are being built; filling of canals is being carried out; and water from the Da River is being released into completed underground tunnels. The construction of the Tri An Hydroelectric Power Plant, with a 400,000-kw capacity, has been carried out rapidly. The construction of the Pha Lai thermopower plant, with a 440-megawatt capacity, is being completed. This November the third generator of the plant's total of four will be commissioned.

The international staff of the Soviet-Vietnamese oil and natural gas joint enterprise, who are carrying out the exploration work in Vietnam, have made

great achievements. The first exploratory drills in various wells indicated that there is oil in the continental shelf of southern Vietnam.

Along with the expansion of SRV-USSR economic cooperation, the improvement of cooperation effectiveness and perfection of the 2-way economic relationship on a long-term basis between the two countries have been carried out urgently. Due to the efforts of concerned organizations in our two countries, general measures and plans have been formulated. In the next 5-year plan, the Soviet Union will provide considerable facilities to increase the effectiveness and improve work at factories and enterprises built in Vietnam with Soviet assistance. Improvement of the living conditions of Vietnamese workers has also been carefully considered. At important Soviet-Vietnamese cooperation projects, the Soviet Union will help build living quarters, schools, hospitals, and other cultural and social projects for workers.

The cultural relations have profoundly affected the spiritual life of the two people and have played an important role in Soviet-Vietnamese cooperation.

The modernly equipped Vietnamese-Soviet friendship, labor, and cultural palace in Hanoi--a gift from the Soviet trade unions Central Committee to Vietnamese working people--has become a new center for cultural life in the Vietnamese capital.

The Soviet people have paid close attention to the political, social, and cultural concepts of the Vietnamese people. The Soviet Union is the first country in the world to have published Vietnamese literature books. A few years after the war, the Soviet Union has published more than 300 works by various Vietnamese authors, with over 15 million copies in print. During the past 5 years the Soviet Union published works by more than 50 Vietnamese authors, with 6 million copies in Russian and other dialects of various nationalities.

The Vietnamese cultural activities week organized in the Soviet Union in May 1985 is eloquent proof of the close friendship between the Vietnamese people and people of various nationalities in the Soviet Union. This major cultural activity, organized in dozens of big cities in the Soviet Union, has captured much attention among millions of Soviet people. This indicates that the cultural relations have profoundly promoted the knowledge of people of various nationalities in the Soviet Union about Vietnamese authors, musicians, and artists.

The participation of Vietnamese youths of both sexes in the 12th festival of international youths and college students held in Moscow has also created conditions for enriching each other's national culture and for consolidating solidarity. In the youth festival, the young generations' delegates of the two countries can come to understand each other better and to manifest their unshakeable determination to struggle for peace and social progress.

Looking forward to the 27th CPSU Congress, the Soviet people rejoice at the achievements of the fraternal Vietnamese people, who are preparing to welcome

the Sixth CPV Congress with new labor achievements. Undoubtedly, under the leadership of the CPV, headed by beloved and respected Comrade Le Duan, a powerful and prosperous Vietnam will certainly be built to be the reliable outpost of socialism in Southeast Asia. As Comrade M.S. Gorbachev, the secretary general of the CPSU Central Committee, stressed: Vietnamese communists and workers can rest assured that socialist construction in Vietnam and Vietnam's freedom and independence can depend on our firm support. The principled line of our party and country is to consolidate Soviet-Vietnamese friendship and cooperation."

Our country has followed the path indicated by Lenin in the past 68 years. The progress of the socialist power has become increasingly steady and we have become more confident as our achievements have multiplied. The historic achievements of the Soviet and Vietnamese people, of other nations and fraternal countries have created premises for peace and socialism to triumph on this planet. The cause started by the Great October Revolution is everlasting!

Long live the Socialist October Revolution!

Long live the unshakeable friendship, close solidarity and effective cooperation between the CPSU and the CPV and the Soviet and Vietnamese people!

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CSO: 4209/107

INTERNATIONAL RELATIONS, TRADE, AND AID

HOANG TUNG AT TOURS CONGRESS ANNIVERSARY SEMINAR

OW071221 Hanoi Domestic Service in Vietnamese 1100 GMT 6 Dec 85

/Text/ The Institute of Marxism-Leninism held a scientific seminar on 6 December in Hanoi on the militant solidarity relationships between the CPV and the French Communist Party /FCP/, on the occasion of the 65th anniversary of the Tours Congress--December 1920-December 1985--which marked the birth of FCP, of which the late President Ho Chi Minh was a cofounder.

Comrade Hoang Tung, secretary of the CPV Central Committee, attended and addressed the participants. Also present were Comrade Daniel Roussel, resident correspondent of L'Humanite of the FCP and FCP representative in Vietnam; Comrade (Alain Grouhot) PhD, another L'Humanite resident correspondent in Vietnam; and Comrade (Jean Pierre Deprez), who in Saigon was one of those who actively opposed the U.S. imperialists' war of aggression against Vietnam.

After the opening speech by Comrade Nguyen Vinh, director of the Institute of Marxism-Leninism, nearly 20 reports, including comrade (Grouhot's), were presented, pointing out the close relations among French communists, the FCP, and the French people and Vietnamese communists, the CPV, and the Vietnamese people. Those relations include the militant solidarity in the struggle against French colonialism, the support for the Vietnamese people's struggle against the United States, and the mutual support and concern for each other between the two parties in the present stage. Many reports underlined the role of the late President Ho Chi Minh in the struggle to form the FCP, and in the building of the close relationships between the two parties and peoples of the two countries.

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CSO: 4209/151

INTERNATIONAL RELATIONS, TRADE, AND AID.

TRUONG CHINH'S LETTER ON SU THAT ANNIVERSARY

BK071545 Hanoi Domestic Service in Vietnamese 2300 GMT 4 Dec 85

/SRV Council of State Chairman Truong Chinh's 4 December letter to cadres and personnel of the Su That Publishing House/

/Text/ Dear cadres and personnel of the Su That Publishing House:

Forty years ago today, on 5 December 1945, the Su That Publishing House came into being, thus continuing the undertaking of the Giai Phong Publishing House, its predecessor, amid the seething impetus of the August revolution. Immediately after its establishment, the Su That Publishing House has engaged in the widescale political and ideological struggle to expose slanderous and reactionary allegations of the enemy and mobilize the people to surge forward to protect and develop revolutionary gains.

During the two wars of resistance against the French colonialists and U.S. imperialists, the Su That Publishing House has contributed effectively to disseminating Marxism-Leninism and the party and state policies, promoting revolutionary heroism, patriotism, and proletarian internationalism among the people and party cadres and members. After the unification of the country and in the new revolutionary stage, activities of the publishing house have been expanded to localities throughout the country aimed at serving the two strategic tasks of building socialism and defending the socialist fatherland.

On behalf of the CPV Central Committee, the Council of State, and the Council of Ministers, I commend cadres and personnel of the Su That Publishing House and other collectives and individuals who have, together with the publishing house, scored great achievements over the past 40 years.

Today, tasks of the publishing house are very heavy. To satisfactorily carry out these tasks, you comrades must strive to study Marxism-Leninism, firmly grasp the party and state policies, formulate effective publishing plans, reorganize editorial work in line with the new tasks, improve organization, and strive to train and forge cadres to carry out all assigned tasks effectively. You comrades must also seriously study resolutions of the Party Central Committee plenums, especially the eighth plenum resolution on eliminating bureaucratism and subsidization in order to shift to the socialist economic accounting system. Various literary organizations must cooperate with the Su That

Publishing House to produce good books meeting the requirements of the readers, while other publishing organizations must help the publishing house to fulfill its tasks.

I wish you comrades more new and greater achievements.

My cordial and determined-to-win salutation.

/Signed/ Truong Chinh

/Dated/ 4 December 1985

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CSO: 4209/151

INTERNATIONAL RELATIONS, TRADE, AND AID

NHAN DAN EDITORIAL ON LAO NATIONAL DAY

BK041638 Hanoi Domestic Service in Vietnamese 2300 GMT 1 Dec 85

/NHAN DAN 2 December Editorial: "Greetings to the Fraternal Lao People"/

/Text/ Today, the fraternal Lao people jubilantly commemorate the 10th founding anniversary of the LPDR. The founding of the LPDR is a great historic landmark in the continuation of the patriotic tradition of the Lao people, united in a heroic and stubborn struggle over nearly half a century under the clear-sighted and glorious leadership of the LPRP, a genuine Marxist-Leninist party. It is also an important gain of the loyal militant solidarity and special relationship between the peoples of Vietnam and Laos, between the three fraternal peoples on the Indochinese peninsula, and a result of great international support. This great victory has opened a new era for Laos, the era of peace, independence, and unification on the road to socialism.

In the past 10 years, overcoming many difficulties and obstacles left behind by the old regime and caused by the enemy and natural disasters, the Lao revolution has constantly advanced and continuously won great victories. The revolutionary administration at all levels has been consolidated, the armed forces have become mature with every passing day, and the solidarity bloc of Lao people of all nationalities has been strengthened, frustrating /word indistinct/ and acts of sabotage of the imperialist, expansionist, and other reactionary forces; and firmly defending the revolutionary gains, independence, sovereignty, and territorial integrity.

In the past 10 years, the fraternal Laos has implemented many policies, taken many creative and dynamic measures, and made an outstanding effort to restore and gradually develop the economy and culture, and to improve the people's livelihood. The schedule of socialist transformation has been implemented simultaneously with the construction of material and technical bases of socialism. The Lao people have scored important results in national defense and socialist construction.

Laos now has a comprehensively productive agriculture base on self-sufficiency. More than 3,000 agricultural cooperatives, tens of thousands of state farms and research stations, thousands of effective agricultural machines, hundreds of large industrial factories at the central level, and thousands of handicraft and artisan industry installations in localities are supporting ever more

satisfactorily the development of agriculture, forestry, and the people's livelihood. Meanwhile, its education, public health, and culture have constantly developed.

The LPDR's prestige has been constantly enhanced in the international arena. The fraternal Laos has become a firm and strong outpost in Southeast Asia. The Lao people's great and allsided achievements over the past decade affirm the correct and creative leadership of the LPRP headed by esteemed General Secretary Kaysone Phomvihan, and the Lao people's determination to follow the road of socialism.

The past decade beginning with the founding of the LPDR is a new phase of comprehensive, profound, and very important development of the fraternal solidarity and combative alliance, and of the special relationship between Vietnam and Lao which has been strenuously clutivated by respected and beloved President Ho Chi Minh and by our two parties. Since the signing of the Vietnam-Laos treaty of friendship and cooperation, the relations between the two parties and states have reached a new peak of development both in width and in depth. The resolutions of the two parties on intensifying relations between Vietnam and Laos and the official friendship visits and meetings of the leaders of the two parties and states are the important landmarks of the loyal, pure, and exemplary relations between the two fraternal nations. They strengthen the force of the two nations and the revolutionary forces in Vietnam, Laos and Cambodia on the Indochinese peninsula.

Comrade Kaysone Phomvihan recently asserted: The solidarity, combative alliance, and comprehensive cooperation between Laos, Vietnam, and fraternal Cambodia has been consolidated and developed constantly in depth in all the economic, cultural, and technological fields. It has become an invincible strength that no enemy can break and is a decisive factor in the victory of the revolution in each country formerly as well as at present.

The LPDR unites and cooperates comprehensively with the Soviet Union and countries in the socialist community, considering it an important factor to ensure success in national defense and socialist construction in Laos. The LPDR's contributions to the Nonaligned Movement, to the three Indochinese countries' initiative to build a peaceful, stable, and cooperative Southeast Asia, and to the struggle against the danger of nuclear war and to protect world peace are considerable contributions and achievements on the diplomatic front.

The Vietnamese people greatly admire and rejoice over the big and allround achievements recorded by the fraternal Lao people in the past decade. These achievements have laid the groundwork for the Lao people to vigorously and further forge ahead the implementation of the socioeconomic objectives as well as in the field of national security and defense set out by the LPRP's third congress. Generation after generation of Vietnamese people will be grateful to the Lao party, state, and people for their great and wholehearted support and assistance to the Vietnamese revolution.

They pledge to implement great President Ho Chi Minh's teaching and to do their utmost to strengthen the militant solidarity and comprehensive cooperation between Vietnam and Laos, as well as among Vietnam, Laos, and Cambodia, to make it everlasting in the interests of each country and of peace, friendship, cooperation, national independence, and social progress in Southeast Asia and the rest of the world.

On this great festival of the LPDR, our people convey warm greetings to the fraternal Lao people and wish them more and greater achievements in national defense and socialist construction in their country.

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CSO: 4209/151

INTERNATIONAL RELATIONS, TRADE, AND AID

BRIEFS

SOVIET DOCKWORKERS VISIT--Hanoi VNA Nov. 30--A delegation of dockers of the Soviet Merchant Marine led by Cubamov, head of the dockers team at Nzkhodka port, visited Vietnam from Nov. 26-30. Experiences in Curgo handling were exchanged between the guests and dockers at Haipong and Saigon ports in Ho Chi Minh City. [Text] [Hanoi VNA in English 1703 GMT 30 Nov 85 BK] /6662

SOVIET-AIDED ORE FACTORY--Hanoi VNA Nov. 30--The groundbreaking ceremony for the building of the Lao Cai apatite ore sorting factory with Soviet assistance was held this morning at Tang Dong in Bao Thang District, Hoang Lien Son Province. Le Van Dy, alternate member of the Communist Party of Vietnam Central Committee, leading officials of the ministries and services concerned and representatives of the local party and administration, the representative of the Soviet Embassy, and Soviet experts were present. The Lao Cai apatite ore sorting factory is one of the key projects under the 1986-1990 plan. It will have an annual capacity of 760,000 tons of apatite. [Text] [Hanoi VNA in English 1704 GMT 30 Nov 85 BK] /6662

CEMA PATENT OFFICE GROUP--Hanoi VNA Dec. 6--Tran Quynh, member of the Communist Party of Vietnam Central Committee and vice chairman of the Council of Ministers, received here today leaders of patent offices of the countries members of the Council for Mutual Economic Assistance (CMEA), who had come here for their 26th conference. With him was Doan Phuong, vice chairman of the State Commission for Science and Technology and head of the Vietnamese delegation to the conference. Vice Chairman Tran Quynh welcomed the guests and expressed his hope that the conference will be crowned with success, thus contributing to strengthening the friendship and cooperation between countries members in the CMEA. He also expressed the gratitude to the fraternal socialist countries for this wholehearted assistance to Vietnam in its socialist construction. [Text] [Hanoi VNA in English 1632 GMT 6 Dec 85 BK] /6662

CONDOLENCES TO HOFFMANN, GDR EMBASSY--Hanoi VNA Dec 6.--A Vietnamese party and government delegation headed by General Van Tien Dung, Politbureau member of the Communist Party of Vietnam Central Committee and minister of national defence, this morning paid homage to General Heinz Hoffmann, Politbureau member of the Socialist Unity Party of Germany Central Committee and minister of national defence, at the GDR Embassy in Hanoi. The delegation included Vu Quang, Mrs. Nguyen Thi Dinh, and Vo Dong Giang. Its wreath bore the

inscription: "Deeply grieve over the death of Comrade Heinz Hoffmann". It signed the condolence book. Also today, a delegation of the Vietnamese Ministry of National Defence headed by Vice-Minister Hoang Van Thai paid last respect to Heinz Hoffmann at the GDR Embassy and signed the mourning book. [Text] [Hanoi VNA in English 1556 GMT 6 Dec 85 BK] /6662

BULGARIAN FRONT DELEGATION--Hanoi VNA Dec. 6--Hoang Tung, secretary of the Communist Party of Vietnam Central Committee, today cordially received the visiting delegation of the Bulgarian Fatherland Front's National Council headed by its first vice-chairman Sava Dulbokov, member of the Bulgarian Communist Party Central Committee. Also today, the Bulgarian delegation, guest of the Vietnam Fatherland Front Central Committee (VFFCC), had working sessions with a VFFCC delegation led by Nguyen Van Hien, member of the presidium and general secretary of the VFFCC. [Text] [Hanoi VNA in English 1605 GMT 6 Dec 85 BK] /6662

PRETORIA'S THREAT TO ZIMBABWE 'CONDEMNED'--Hanoi, Dec. 6--NHAN DAN in a commentary today strongly condemns the South African administration for threatening to invade its neighbouring Zimbabwe. The paper refuted Pretoria's pretext of "preventing ANC guerrillas". "With such a pretext," the paper recalled, "Pretoria had once brazenly invaded Angola, Mozambique, Botswana and now that it threatens to invade Zimbabwe has more clearly revealed the bellicose, reactionary and brutal nature of the dangerous apartheid which must be eliminated to the root". "The Vietnamese people once again reaffirm their full support for the struggle of the Zimbabwe people and other Southern African peoples against imperialism, colonialism and racism, for peace, national independence and social progress. [Text] [Hanoi VNA in English 0700 GMT 6 Dec 85 OW] /6662

GDR ANTIFASCIST FIGHTERS VISIT--Hanoi VNA Dec. 7--A delegation of the Committee of Antifascist Fighters of the German Democratic Republic headed by Kurt Hoefer, member of the presidium, and secretary, of the committee, has visited Vietnam at the invitation of the Vietnamese Ministry of Disabled Soldiers and Social Affairs. The guests paid a floral tribute at the Ho Chi Minh Mausoleum and visited the late president's house and office. They had working sessions with leading officials of the host ministry and toured a number of cultural and social establishments in Hanoi and Ho Chi Minh City. Song Hao, member of the Communist Party of Vietnam Central Committee and minister of disabled soldiers and social affairs, warmly received the GDR guests. [Text] [Hanoi VNA in English 0657 GMT 7 Dec 85 OW] /6662

HUNGARIAN FM GROUP VISIT--Hanoi VNA December 7--A delegation of the Hungarian Foreign Ministry headed by Vice-Minister Boris Miklos [name as received] paid a friendly visit to Vietnam from Dec. 5-7 at the invitation of the Vietnamese Ministry for Foreign Affairs. While here, the Hungarian delegation paid a tribute at the President Ho Chi Minh's Mausoleum and was cordially received on separate occasions by Vo Nguyen Giap, member of the CPV Central Committee and vice-chairman of the Council of Ministers, and Nguyen Co Thach, alternate Political Bureau member of the CPV Central Committee, and minister for foreign affairs. The Hungarian guests held talks with a delegation of the host

ministry led by Vice-Minister Hoang Bich Son. Present at the talks were Hoang Manh Tu, acting head of the European Department No. 1 and Hungarian Ambassador to Vietnam Bola Benyei. The two sides exchanged views on the bilateral relations, the enhancement of the cooperation between the Vietnamese and Hungarian Foreign Ministries, and the international issues of common concern. The talks took place in an atmosphere of militant solidarity and fraternal friendship. [Text] [Hanoi VNA in English 1520 GMT 7 Dec 85 BK] /6662

LAO VISITING LECTURERS--Hanoi VNA Dec. 8--A group of lecturers of the Lao People's Revolutionary Party led by Mrs. Khamphone Phimmaseng, member of the secretariat of the Lao Women's Union, paid a working visit to Vietnam on the occasion of Laos' 10th national day (Dec. 2). The group was warmly received on separate occasions by Hoang Tung, secretary of the Communist Party of Vietnam Central Committee, and Dao Duy Tung, member of the C.P.V. C.C. and head of its commission for propaganda and training. While here, the group gave lectures in Hanoi, Ho Chi Minh City, Hau Giang Province and Vung Tau-con Dao special zone and visited various economic and cultural establishments. [Text] [Hanoi VNA in English 1507 GMT 8 Dec 85 OW] /6662

RADIO ASSISTANCE FOR CAMBODIA--In 1985, the Phu Khanh provincial radio station offered to help the Cambodian province of Stung Treng build two district wired radio stations and one village wired radio station. The Phu Khanh provincial radio station has already opened a vocational and technical refresher course for some 10 cadres and technical workers from Stung Treng in preparation for the operation of these wired radio stations. /Summary/ /Hanoi Domestic Service in Vietnamese 0500 GMT 3 Dec 85 BK/ 12228

DONG THAP TELEVISION STATION--On 27 November, Dong Thap Province inaugurated a local color television station. The 25-kw television station was built with local funds and technical assistance from the Ho Chi Minh City and Can Tho city television stations. /Summary/ /Hanoi Domestic Service in Vietnamese 0500 GMT 1 Dec 85 BK/ 12228

DONG NAI CATHOLICS--More than 300 Catholic priests representing half a million Catholic followers in Dong Nai Province recently held the first congress to review activities of the movement for patriotism and to discuss tasks for the days ahead. Thanks to the kind attention given by the revolutionary regime, over the past 10 years, Catholic followers in the province have regularly performed their ritual activities. Tens of thousands of Catholics have been assisted to build their new life. More than 100,000 children are attending schools, and more than 20 Catholic churches have been repaired or built. /Summary/ /Hanoi Domestic Service in Vietnamese 0500 GMT 24 Nov 85 BK/ 12228

WPC STOCKHOLM CONFERENCE--On the occasion of the 35th anniversary of the world peace movement, the World Peace Council /WPC/ held a 30 November-3 December conference in Stockholm, Sweden, attended by more than 100 delegates from over 50 countries. Our country's delegation, led by Comrade Phan Anh, also attended the conference. In his opening speech, WPC Chairman Romesh Chandra recalled the great role of the mass movement in the preservation of peace. He stressed the influence on the movement of the Vietnamese people's struggle against colonialism and imperialism and for independence and freedom the movement has made a tremendously important step because of that struggle. The delegates unanimously affirmed the strengths resulting from the widespread solidarity

among the world peace forces, welcomed the recent Soviet-U.S. Geneva summit, and called on the world's peoples to continue their struggle against the nuclear arms race and the outer space militarization plan. The conferees unanimously approved a declaration on the international year for peace, the the conference joint statement, and an open letter to all international and national peace movements calling on them to organize a widespread international campaign to protest against the U.S. Star Wars plan. /Text/ /Hanoi Domestic Service in Vietnamese 1100 GMT 6 Dec 85 OW/ 12228

CONDOLENCE MESSAGE TO COLOMBIA--Council of State Chairman Truong Chinh today sent the following message of sympathy to His Excellency Belisario Betancourt, president of the Republic of Colombia: I would like to convey to you and the people of Colombia my sympathy over the losses in lives and property caused by the Nevado volcano. I sincerely hope that the Colombian people will quickly overcome the consequences left behind by this volcano. [Text] [Hanoi Domestic Service in Vietnamese 1430 GMT 19 Nov 85 BK] /6662

OUTGOING SWEDISH ENVOY--Ragnar Dromberg, ambassador extraordinary and plenipotentiary of the Kingdom of Sweden to our country, paid a farewell visit to chairman of the Council of Ministers prior to his departure for home to take a new assignment. Chairman Pham Van Dong had a cordial talk with Ambassador Ragnar Dromberg. [Text] [Hanoi Domestic Service in Vietnamese 1430 GMT 19 Nov 85 BK] /6662

VFF GREETES KUFNCD ON ANNIVERSARY--Recently, the KUFNCD National Council received a message from the Central Committee of the VFF on the seventh anniversary of the KUFNCD. The message pointed out that in the past 7 years, under the leadership of the KPRP, the KUFNCD has rallied all the Cambodian people's strength into a strong force and scored great victories in every field in building and developing the economy and culture and thus contributing to strengthening the three Indochinese countries for the cause of defending peace in Southeast Asia and the world. Through these successes and contributions, the PRK's prestige and role have been soaring in the international arena. We are happy for the great victories scored by the fraternal Cambodian people and considered these as our own. We are convinced that with the light of the resolutions adopted by the KPRP's Fifth National Congress, the fraternal Cambodian people will score more victories in the cause of building and defending the Cambodian fatherland. We wish that the militant solidarity, in particular between the Cambodian and Vietnamese peoples, remain strong and last forever. /Text/ /Phnom Penh Domestic Service in Cambodian 0430 GMT 5 Dec 85 BK/ 12228

CSO: 4212/30

PARTY ACTIVITIES AND GOVERNMENT

TRUONG CHINH MESSAGE COMMENDS TAP CHI CONG SAN

BK051114 Hanoi Domestic Service in Vietnamese 2300 GMT 2 Dec 85

/Text/ On the occasion of the conferment of the Ho Chi Minh order on TAP CHI CONG SAN by the Council of State, Chairman of the Council of State Truong Chinh sent a letter to the journal's editorial staff. The letter says:

On the occasion of the 30th anniversary of TAP CHI CONG SAN, I cordially convey my attentive regards and warm greetings to all cadres, personnel, editors, collaborators, and reporters of the journals.

In the past 30 years, under the close leadership of the party Central Committee, TAP CHI CONG SAN has striven to combine Marxist-Leninist theory with the revolutionary realities in Vietnam in order to propagandize the lines, guidelines, and policies of our party and state in a thorough manner.

The journal has contributed to enhancing the political and theoretical knowledge of cadres and party members and to mobilizing the mass movement for revolutionary acts. Large numbers of cadres--either party members or not--consider the journal as a reliable document to be used in learning and studying the lines, policies, and viewpoints of our party and state. TAP CHI CONG SAN deserves to be the theoretical banner of the CPV.

Dear comrades: All our party members, troops, and people are striving to implement the two strategic tasks of building socialism and defending the socialist fatherland. TAP CHI CONG SAN is dutybound to provide theoretical and operational guidance for the implementation of these two tasks, especially the socioeconomic task, thus helping prepare for the sixth national congress of the party.

Respected and beloved Uncle Ho said: Realities without theoretical guidance will become blind realities while theory unrelated to realities is empty theory. I hope that TAP CHI CONG SAN will remember Uncle Ho's teaching by combining even more thoroughly Marxist-Leninist theory with the revolutionary realities in Vietnam to shed light on the revolutionary issues in our country during the transition to socialism, especially during the initial stage of transition, in order to propagandize the lines, policies, and viewpoints of our party and state in a thorough and systematic manner.

In order to fulfill your duties in the new revolutionary stage, cadres, personnel, editors, collaborators, and reporters of TAP CHI CONG SAN journal must strive to learn Marxism-Leninism and the lines and policies of the party and state, improve your revolutionary qualities and ethics, raise the standard of your researching and editing ability, realistically create, and maintain a close relationship with the masses.

I wish you even more and greater successes in enhancing the quality of TAP CHI CONG SAN, enabling it to develop vigorously its role as a sharp tool of the party on the theoretical and ideological front.

I cordially convey to you my communist salutations.

/12228

CSO: 4209/151

PARTY ACTIVITIES AND GOVERNMENT

TAP CHI CONG SAN CELEBRATES 30TH ANNIVERSARY

OW061138 Hanoi Domestic Service in Vietnamese 1100 GMT 3 Dec 85

/Text/ Dear friends: TAP CHI CONG SAN, theoretical and political organ of the CPV, held a ceremony at the Hanoi Press Center this morning, 3 December, to celebrate its 30th anniversary, 1955-85, and to receive a Ho Chi Minh order.

Present at the ceremony were representatives of the Party Central Committee; heads of various ministries, services, and mass organizations at the center and in Hanoi; representatives of news agencies and press organs; and collaborators and retired or active cadres of TAP CHI CONG SAN.

Comrade Dao Duy Tung /as heard/, member of the Party Central Committee and director of the Central Committee's Propaganda and Training Department, read a letter from Comrade Truong Chinh, member of the Political Bureau of the Party Central Committee and chairman of the Council of State, to the editorial staff of TAP CHI CONG SAN, on the occasion of the journal's 30th anniversary.

On behalf of the editorial staff, Comrade Hong Chuong, editor in chief of TAP CHI CONG SAN, read a report. After reviewing the founding and development of the magazine over the past 30 years. He pointed out:

/Begin Hong Chuong recording/ Over the past 30 years, TAP CHI CONG SAN, formerly TAP CHI HOC TAP, has applied Marxism-Leninism, popularized the line and policies of the party and state, contributed to raising the political and theoretical levels of our cadres inside and outside the party, opposed wrongful thoughts and views, intensified solidarity within the party and among the people on the basis of the line and policies of the party and state, whipped up the revolutionary mass movement, recapitulated the party's experiences, and clarified the major issues relating to the line and policies of the party and state in the light of Marxism-Leninism and on the basis of experiences accumulated in the revolution. At this point, we are thinking of our readers. We appreciate the thousands upon thousands of letters addressed to the magazine every year to encourage us, to report on the benefits acquired from reading TAP CHI CONG SAN, and to point to the errors in the articles. Together with their observations on and criticism of the content and form of the magazine, our readers have offered suggestions on renovating and improving it. /applause/
/end recording/

On behalf of the Party Central Committee, Comrade Hoang Tung, secretary of the Party Central Committee, awarded a Ho Chi Minh order to TAP CHI CONG SAN and read a speech written by Comrade Vo Chi Cong, member of the Political Bureau and secretary of the Party Central Committee, on the occasion of the 30th anniversary of TAP CHI CONG SAN and the conferment of the Ho Chi Minh order.

/Begin Hoang Tung recording/ Dear Comrades: On behalf of the Political Bureau and secretariat of the Party Central Committee, I am glad to congratulate you on the occasion of the 30th anniversary of TAP CHI CONG SAN. Over the past 30 years, our party's theoretical organ has grasped and correctly implemented the party's line, policies, and viewpoints, thereby contributing to raising the political and ideological levels of our cadres inside and outside the party, promoting solidarity and unity of minds within the party on the basis of the party's political line, and motivating the masses to participate in the movement to perform revolutionary acts. /end recording/

After highly valuing TAP CHI CONG SAN's achievements and contributions over the past 30 years, Comrade Vo Chi Cong's speech stressed:

/Begin Hoang Tung recording/ Since TAP CHI CONG SAN is our party's organ, our party organizations throughout the country must contribute to building it. All echelons and services should pay great attention to building it by contributing articles reviewing their tasks and their theoretical and scientific experiences. The party's main viewpoints, line, and major policies are all displayed in the magazine. All echelons and services should also utilize the magazine properly, organize and guide the public in reading it, and popularize the party's viewpoint, line, and policies among the party's cadres and members and popular masses so that everyone can thoroughly comprehend and implement them. /applause/ /end recording/

After reading Comrade Vo Chi Cong's speech, Comrade Hoang Tung analyzed the experiences gained in the process of maturity of the revolutionary press in our country in general and of TAP CHI CONG SAN in particular. He stressed that in the future, the important task of TAP CHI CONG SAN is to provide, both in theory and in practice, guidance in the fulfillment of the two strategic tasks of building socialism and defending the fatherland as well as the implementation of socioeconomic tasks in order to contribute to preparing the sixth national party congress. By combining theory and practice, the magazine's propaganda work should help clarify all issues in the theoretical aspect: the initial stage of the transition period, the socioeconomic strategy in the initial stage; collective mastery; the system of party leadership, state management, and popular mastery; the socioeconomic management system; and the socialist system of accounting and business transactions. TAP CHI CONG SAN must theoretically recapitulate our country's many-sided achievements over the past 40 years, the vivid and abundant achievements of Marxism-Leninism. Our magazine and theoretical workers must seek to understand and explain the current hot issues of life in order to raise the political and theoretical levels of our Vietnamese communists; promote the revolutionary life, ethics, and qualities; combat all manifestations of negativism and degeneration; and build a steady, strong party. Finally, Comrade Hoang Tung said:

In celebrating the 30th anniversary of TAP CHI CONG SAN, the editorial staff should review its tasks over the past 30 years and improve its work in all aspects in order to raise the magazine's quality. All party committee echelons should have a plan for popularizing the magazine and should properly organize the use of the magazine by cadres, party members, and the people.

Also at the ceremony, Sr Gen Hoang Van Thai, member of the Party Central Committee, vice minister of national defense, and an active collaborator and builder of TAP CHI CONG SAN over the past 30 years, expressed his views on the great role of the magazine in training and fostering the armed forces' cadres and combatants. He also stressed the need to properly carry out the theoretical work and make a plan for disseminating the party's line on national defense.

Then, Comrades Nguyen Thi Nhu, member of the Party Central Committee and vice chairman of the Vietnam Women's Union, Tran Tan, deputy secretary of the Hanoi Municipal Party Committee; and representatives of the Vietnam Confederation of Trade Unions and the Ho Chi Minh Communist Youth Union suggested that TAP CHI CONG SAN organize a systematic study of issues related to the motivation of cadres, youths, and women in the current revolutionary stage.

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CSO: 4209/151

PARTY ACTIVITIES AND GOVERNMENT

DO MUOI ATTENDS GEOLOGICAL SECTOR ANNIVERSARY

BK201511 Hanoi NHAN DAN in Vietnamese 22 Oct 85 p. 1

[Text] In Hanoi yesterday, 21 October, the Vietnam Geological General Department held a solemn ceremony to mark its 30th anniversary of building and development. Attending the function were Do Muoi, member of the CPV Central Committee Political Bureau and vice chairman of the Council of Ministers; many comrades from various ministries and from the central and Hanoi sectors; and cadres, workers, civil servants, and heroes and emulation combatants of the geological sector. Also attending the ceremony were Soviet geological expert team leaders and members currently working in Vietnam, the head of the LPDR geological team in Vietnam, representatives of geological delegations from fraternal socialist countries, and the Soviet economic counsellor of the Soviet Embassy in Vietnam.

Opening the ceremony, a representative of the Geological General Department solemnly read Council of State Chairman Truong Chinh's letter to cadres, workers, and personnel of the geological sector on the occasion of its traditional commemoration day. Comrade Tran Duc Luong, alternate member of the CPV Central Committee and head of the Geological General Department, reported on the construction, development, and contributions of the sector to the cause of national construction and defense. He sketched out the sector's major tasks in management and organization in accordance with the spirit of the party Central Committee eighth plenum resolution in order to effectively survey and explore the country's rich mineral resources.

Speaking at the ceremony, Comrade Do Muoi praised the role of and contributions by the geological sector to the cause of national socialist industrialization in the initial stage of the current period of transition to socialism. He stressed: The geological sector should step up the search and exploitation for raw materials to support the development of agriculture, industry, and exports. It should search for minerals that have great economic potential and value to prepare for the implementation of the strategy of socioeconomic development for the 1990's and the period beyond the year 2000. It should continue to improve the organization of production, enhance the efficiency of geological work, resolutely abolish bureaucracy and subsidization, and switch to a socialist economic accounting and business system in accordance with the spirit of the resolution of the eighth Central Committee plenum.

On this occasion, on behalf of the party Central Committee and the Council of Ministers, Comrade Do Muoi sincerely thanked the Soviet Union and other socialist countries for their effective assistance and cooperation in the geological field and reaffirmed our country's assistance to fraternal Laos and Cambodia in the geological field to successfully implement the all-round cooperation among the three Indochinese countries.

The comrade leaders of the Soviet and LPDR geological delegations read their messages of greetings during the ceremony.

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CSO: 4209/107

PARTY ACTIVITIES AND GOVERNMENT

HOANG TUNG ATTENDS PUBLISHING HOUSE ANNIVERSARY

BK061014 Hanoi Domestic Service in Vietnamese 2300 GMT 5 Dec 85

/Text/ On the afternoon of 5 December the Su That Publishing House held a solemn ceremony to mark its 40th founding anniversary. Attending the ceremony were many cadres, editors, contributors, and retired cadres of the publishing house, as well as many representatives from various organs, sectors, and other publishing houses at the central level and in Hanoi. Also present was Comrade Hoang Tung, secretary of the Party Central Committee

Comrade (Nguyen Linh), deputy director of the Su That Publishing House, read the letter of Chairman of the Council of State Truong Chinh to cadres and personnel of the publishing house on the occasion of its 40th founding anniversary, and the directive of the Party Central Committee Secretariat on the work of the publishing house.

Comrade Pham Thanh, director of the Su That Publishing House, read a report summing up the activities of the publishing house over the past 40 years and pointing out its guidelines and tasks in the new revolutionary stage.

In the days ahead, the Su That Publishing House will publish intensively basic theoretical study books and books recapitulating experiences from the Vietnamese revolution. The publishing house will also select for publication books on the experiences of the Soviet Union and other fraternal countries, and books on world politics and our party's lines and policies.

Addressing the ceremony, Comrade Hoang Tung spoke highly of the great achievements recorded by the Su That Publishing House over the past 40 years and pointed out its shortcomings that must be overcome in the days ahead.

Comrade Hoang Tung urged the cadres and personnel of the publishing house to study and grasp firmly the scientific socialism of Marx, Engels, and Lenin and to learn from President Ho Chi Minh how to combine theory with reality. He also pointed out the need for them to combine the publication of translated works closely with that of the works by authors in the country and to understand thoroughly the relations among philosophy, economics, political science, and scientific socialism so as to bring about practical operational guidelines and publish more books with ever better quality in support of the revolution.

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CSO: 4209/151

PARTY ACTIVITIES AND GOVERNMENT

BRIEFS

CPV, FRENCH CP RELATIONS SEMINAR--Hanoi, VNA Dec. 7--A seminar on the militant solidarity between the Communist Parties of Vietnam and France was held here on Dec. 6 by the Institute of Marxism and Leninism on the occasion of the 65th anniversary of the Tours Congress. It was attended by Hoang Tung, secretary of the CPV Central Committee, and a large number of scholars in various institutes and colleges of Vietnam and members of the French Communist Party now in Hanoi. In his opening speech, Nguyen Vinh, member of the CPV CC and director of the sponsor institute, brought out the historic significance of the Tours Congress which, he said, was a new stage of development in the joint struggle and militant solidarity between the French proletariat and the proletariat and people in the French-ruled countries against capitalism and colonialism. For the Indochinese revolution, he stressed, the Tours Congress was of a special importance, marking a new step forward in the close ties of the French and Vietnamese working people in their struggle against colonialism. He recalled the participation of President Ho Chi Minh in the congress and praised his great contributions to promoting the solidarity between the two parties and peoples. On behalf of the CPV Central Committee, Hoang Tung thanked the French Communist Party for its great support and assistance to the Vietnamese Communists and people in national construction and defence, and wished for further development of the militant solidarity between the two parties and peoples of France and Vietnam. [Text] [Hanoi VNA in English 1509 GMT 7 Dec 85 BK] /6662

HONORARY TITLES FOR TEACHERS--The Council of State recently issued a decision amending Article 3 of the regulation on state honorary titles to be awarded to artists, teachers, and physicians. The decision say in full as follows: Pursuant to Article 100 of the SRV Constitution and at the request of the Council of Ministers, the Council of State decides to amend Article 3 of the regulation stipulating state honorary titles to be awarded to artists, teachers, and physicians, which was approved by the Council of State on 30 March 1985. Awardees of state honorary titles including the following: Teachers of vocational schools; lecturers at colleges, high-level schools, and vocational middle schools. Hanoi, 19 November 1985 [Text] [Hanoi Domestic Service in Vietnamese 2300 GMT 19 Nov 85 BK] /6662

CSO: 4209/107

ECONOMIC PLANNING, TRADE, AND FINANCE

NHAN DAN EDITORIAL ON SOCIALIST TRADE SYSTEM

BK220803 Hanoi Domestic Service in Vietnamese 2300 GMT 21 Nov 85

[22 November NHAN DAN editorial: "Implementing the Eighth Plenum Resolution, Let Us Expand the Socialist Trade System"]

[Text] The immediate decisive factor enabling the state to exert mastery over distribution and circulation in accordance with the spirit of the resolutions of the sixth, seventh, and eighth plenums of the fifth party Central Committee is to expand the socialist trade sector and strengthen market management.

The socialist trade sector is entrusted with the extremely important task of making an effort to gain total control of the wholesale sector and the bulk of the retail and service sector, to strictly manage the state-controlled supply and goods funds, and to satisfactorily support production and life. Since the eighth plenum resolution was issued, the nationwide socialist trade system, including the state-run trade sector and marketing cooperatives, have made numerous efforts to do away with bureaucratism and subsidization and gradually switch to the system of socialist economic accounting and business transactions. Under the direct guidance of the various party and administrative committee echelons, the socialist trade organizations have begun to change their views and perception of business and service activities, to reorganize their work force, to partly improve various specific policies on professional operations, to abolish a number of troublesome procedures in business relations with customers, to develop their operational networks, to broaden the power of corporations, stores, and basic units. A number of localities have improved their method of goods distribution to ensure direct delivery to the consumers and have positively contributed to the struggle to stabilize prices and control the market.

These changes constitute an extremely difficult and complex new major task. For this reason, aside from the good results already obtained in the fulfillment of some objectives, the socialist trade sector has also developed a number of shortcomings and weaknesses. These are the manifestations of passiveness, confusion, inexperience, and lack of vigilance in the face of the enemy, speculators, and smugglers taking advantage of our oversight in the exchange of banknotes and the fixing of new prices to disturb the market

and upset prices. A serious problem is that many cadres and employees of the state trade sector and even the cooperative trade sector have also taken part in dispersing money, buying up goods, holding on to merchandise while waiting for their prices to increase, refusing to sell goods to consumers, siphoning off goods to dishonest merchants, and inflating the prices of goods arbitrarily.

A lesson learned recently is that if a new and rational pricing system is established but the socialist trade sector fails to make an effort to control the market, distribution, circulation, and service activities and refuses to resolutely punish speculators and smugglers, then prices can in no way be stabilized and all prices will eventually become unreasonable.

Life has taught us many things. At a time when the struggle between the two roads--socialist and capitalist--and between us and the enemy is still proceeding bitterly every hour and minute in the market, it is impossible to stabilize production, the value of currency, prices, and the working people's living conditions if the socialist trade sector fails to quickly expand its operational system and make an effort to control the market. An urgent problem and also a widespread, legitimate concern of the working people is to stabilize prices and to [word indistinct] and increase their real income. Our duty is to develop production and to exert mastery in both the production and distribution-circulation processes. The socialist trade sector must control the market, prevent all abrupt increases in market prices, and refrain from arbitrarily increasing the prices fixed by the state.

To contribute to controlling the readjustment of prices and wages and to ensure good results in carrying out this task and in switching the entire economic system to the new managerial mechanism, we should do our utmost to expand the socialist trade system, shift to the socialist mode of business transactions, rearrange trade organizations and the social market, strengthen management, actively reduce circulation expenses, and purify the contingent of cadres and personnel of the trade sector.

Controlling production, distribution, circulation, and the market; foil all enemy sabotage activities; and punish speculators and smugglers--these are essential conditions for us to control prices and wages, stabilize the working people's living conditions, and positively switch our national economy to the socialist accounting and business system.

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CSO: 4209/107

ECONOMIC PLANNING, TRADE, AND FINANCE

READERS COMPLAIN OF POOR PRICE, FINANCIAL MANAGEMENT

Hanoi LAO DONG in Vietnamese 24 Oct 85 p 7

['Letters During the Week' column]

[Text] Price Management Must Be Unified

Resolution Eight of the Party decided that prices are an important component with a profound influence and effect on production planning and the lives of all society.

Some time ago, the Council of Ministers issued a document on unifying price management. However, because the management mechanism is still in a bureaucratic and subsidized situation, it has destroyed pricing order. Every level in the circulation and distribution sector has prices; even the store and stand managers have the authority to set prices and therefore, in the same store and same production location with the same specifications and quality in the same region, subward or village, the prices are different. Consequently, the retail prices of commodities from the production to the business steps increase by two to five times with some increased even higher. The funds obtained from these price differences are usually placed by units of the circulation and distribution sector in profits deducted from the various funds, leading to irrational differences between the income of the production unit and the business unit. Besides that, extremely many negative occurrences appear in the distribution step such as exclusive rights, special interests, corruption, collusion, authoritarianism, agitation, etc. Dishonest merchants and others making a dishonest living have an advantageous opportunity for living an unrestrained life while the real laborer is suffering severe hardship.

The time has come for thoroughly eliminating this situation because it has destroyed every one of our socialist disciplines and laws.

To achieve a new management mechanism in prices, we suggest that products after production have all rational expenses calculated and a retail sales price immediately printed on the individual product such as the various kinds of newspapers and books. If different types of prices are needed for each area, the price for each area can be clearly printed. Goods not requiring wrapping can have a label attached clearly noting the amount, weight, quality, specifications and seal of material or financial agencies. Sales units must sell goods at precisely the price printed on the product. Only in this manner can we

avoid a situation of arbitrary price raising, commodity exchange, etc. which disrupts the market and harms the state and the consumer.

Vu Ngoc Tuan
Vice Chairman of the Trade-Union
Federation Labor-Life Committee,
Dong Nai Province

Workers, Public Servants Here Not Yet In Receipt of Wage and Price Subsidies

In order to ascertain the operational situation in every aspect of basic level trade unions during the past 9 months, especially the situation of achieving Resolution Eight of the Party Central Committee, concerning workers and civil servants engaged in lumbering in Nghe Tinh Province, I made a recent visit to two key units of the sector, the Huong Khe Lumbering State Forest and the Huong Khe Afforestation State Forest. Here, the full-time trade union cadres told me that since the price subsidy policy was instituted, no one has received a single dong in subsidies. The reason is this: when the state promulgated the price subsidy policy, the guidance examples were fully listed. When those responsible for the unit's system went to the Huong Khe District finance committee to accomplish the administrative procedures, they were told, "Trade union cadres are paid by the Provincial Trade-Union Federation." They sent someone to the Trade-Union Federation but were told there, "The price subsidies are paid at the location where the system is offered." In conclusion, to this time the full-time trade union cadres of these two state forests have no place that will pay price subsidies!

At the present time, slow price subsidies have already encountered too many difficulties without speaking of none at all! Thus, who should pay their price subsidies?

Le Van Tan
Forestry Sector Trade Union
Nghe Tinh Province

The cadres, workers and civil servants are extremely enthusiastic and confident over the successful achievement of Resolution Eight of the Central Committee.

In our local area however, we cannot understand how the excessively difficult achievement causes the lives of the cadres, workers and civil servants to increasingly encounter additional difficulties. By 28 September 1985, many agencies and enterprises had still not received cash awards or price subsidies. The men have no money to buy rice and food. Meanwhile, the grain agency has announced that rice sales for September will cease on 30 September 1985. For other products such as meat, sugar, etc., the commerce sector has announced there is not yet a sales formula. So, how will the cadres, workers and civil servants live in the face of this situation

Worker, Civil Servant Collective
1-5 Enterprise, Dong Hoi,
Binh Tri Thien Province

7300
CSO: 4209/130

ECONOMIC PLANNING, TRADE, AND FINANCE

BRIEFS

AVAILABLE FOOD EXPORT ITEMS--Hanoi, VNA Dec. 4--The Vietnam Food Items Export and Import Corporation (Vinalimex) under the Ministry of Food Industry has so far produced 17 items for export. Its products now available at 14 foreign markets range from confectionaries to instant coffee, condensed coffee milk, shrimp fritters, rice paper, rice noodles, vermicelli, roasted and salted groundnuts, etc. Many of these were favoured by customers in Hungary, Czechoslovakia, the German Democratic Republic, etc. The sesame candy bar produced by Hai Phong Confectionary Enterprise was a gold medalist at the 1983 Leipzig Fair. [Text] [Hanoi VNA in English 0702 GMT 6 Dec 85 OW] /6662

CSO: 4200/359

AGRICULTURE

SRV AGRICULTURE MINISTER SPEAKS AT CONFERENCE

OW081105 Hanoi Domestic Service in Vietnamese 1100 GMT 7 Dec 85

/Text/ The Agriculture Ministry held a conference on 7 December to review the work of technical innovations and rationalization of production in the production-business bloc, which includes corporations, enterprise unions, state farms, production stations, and so forth.

Agriculture Minister Nguyen Ngoc Triu attended and chaired the conference. The conferees unanimously assessed that in light of the sixth, seventh, and eighth resolutions of the CPV Central Committee and under direct guidance of the Agriculture Ministry, in past periods, there arose in the production-business bloc of the agricultural sector an emulation movement in promoting initiatives for technical innovations and rationalization of production in order to raise labor output and develop production of grain, foodstuffs, consumer goods, raw materials for industrial production, and farm produce for export. This movement has been increasingly strengthened at the grassroots level and has brought about realistic economic efficiency. Noteworthy the valuable initiatives for technical innovations and rationalization of production in such work as improvement in delivery and reception of urea fertilizers; production of syringes to replace imported ones; improvement of mechanized farming equipment; production of veterinary vaccines; research on, and creation of, new strains; and so forth. However, the movement has been launched in a number of production installations only. For lack of timely motivation, it has not developed on a large scale.

Addressing the conferees, Minister Nguyen Ngoc Triu stressed: In the coming years, the production-business bloc of the agricultural sector should be more positive and creative in its work in order to increasingly promote the movement both in scope and scale, and should do a good job in implementing the eighth resolution--carrying out economic accounting in socialist business transactions in order to attain the objectives of high output, good quality, and high efficiency and to best serve the agricultural sector and make it develop comprehensively and steadily.

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CSO: 4209/151

HEAVY INDUSTRY AND CONSTRUCTION

POOR MATERIAL SUPPLY HAMPERS SAO VANG RUBBER PRODUCTION

Hanoi LAO DONG in Vietnamese 10 Oct 85 p 4

[Article by Tat Khue: "Insurmountable Difficulties at Sao Vang Rubber Factory"]

[Text] 1985 Production Plan Falls Through

Isn't it too early to speak in this manner about the conclusion of the entire year of production of the Sao Vang Rubber Factory? It is now only the first part of October and there is an entire quarter before the end of 1985. This is not the opinion of the author but the conclusion of the director, the planning bureau chief and the craftsmen in the factory themselves in painfully speaking about the work of their plant.

During 1985, the factory received a plan to produce 3.8 million bicycle tires, 3.3 million bicycle inner tubes, 21,500 sets of automobile tires (including 6,500 sets for which the factory coordinated with the coal sector to obtain raw materials for production), and many other products such as rubber hoses, rice milling cylinders, improved vehicle tires, automobile tire recaps, etc.

By the end of September, meaning through two-thirds of the production for the entire year, the factory had only manufactured 1.5 million bicycle tires (still short by 2.3 million), 850,000 bicycle inner tubes (2,450,000 short), and 8,000 sets of automobile tires (short by 13,500 sets). Only 30 to 40 percent of the other products had been produced in accordance with the assigned plan. In the plan for recapping old automobile tires, not one had been done.

Saddest of all over this issue were the cadres and workers here. The decline in production was naturally followed by diminished income for the collective and for each individual. Accompanying the material loss was a decline in their morale. Everyone at this time, from Director Nguyen Quang Ky to the workers in the shops, feels like a ball player on the field: the ball can be seen slowly and gently rolling into the home team's net and there is no way to block it.

Faced with this situation, after a recent general review and recalculation of all production factors in the 4th quarter, the cadres and workers of the Sao Vang Rubber Factory decided to concentrate efforts on achieving the production objective of 3.3 million bicycle inner tubes (allowing the other norms to fall below planned levels).

If so, this is a "goal scored in a losing situation" and is very much applauded.

Why?

"You need flour to make paste!" In production, there has never been an instance of using morale in place of materials to produce products. Without sufficient materials and fuel, no skill will achieve the planned products. The quantity aspect is the same. In observing the origin of quality, it is also the same. This means that whether products are good or bad is partially dependent on the quality of the issued raw materials and supplies. It is impossible to demand the opposite.

This year, 1985, in order to produce a sufficient quantity of goods recorded in the plan, the factory requires up to 3,000 tons of rubber, including 3,000 tons of categories one and two rubber, but only 1,200 tons had been supplied by the end of September, meaning only a little more than one-third of the quantity norms. The quality of rubber received by the factory was too low and not in accordance with the plan norms stipulated by upper echelons and the pledges made by the units concerned in this work. Of the 1,200 tons of rubber received during the past 9 months, up to 400 tons were categories 3 and 6. There were up to 140 tons of dirt rubber (correctly titled because it was "first class" rubber with up to 50 percent dirt and 50 percent rubber).

The types of chemicals and additives that are indispensable in rubber production such as carbon granules, anticoagulants and catalysts (including a number of raw materials which must be imported from foreign countries) were not supplied in sufficient quantities compared with the planned norms. By the end of April, all of the chemicals supplied had been used. Since then, no more have been received.

Coal to the rubber factory is correctly considered as both a fuel and a raw material. In 1 day here, 50 to 60 tons are required with an annual requirement of 17,000 tons. To ensure coal at the proper production rate, the factory has had to station 15 full-time personnel at Cua Ong Port to seek out and supervise the acceptance and transportation of coal to the factory. Seeking out every method, the factory by the end of September had received 13,000 tons of coal (issue norms for the entire year were 17,000 tons). In the quantity aspect, this seems sufficient and in accordance with the planned schedule. In reality however, the quality of the coal received greatly reduced those figures. Consequently, the factory has usually suffered from a serious shortage of coal. Specifically:

In accordance with regulations, the factory is supplied category 5 lump coal. In practice, this is not so. Of the 13,000 tons of coal received during the past 9 months, 4,000 tons were mixed lump coal and the remainder coal cinders. These types of coal are inferior in heat energy. Due to coal quality not meeting the stipulated standards, to ensure sufficient high temperatures and steam pressure for rubber vulcanization, much more coal had to be burned and much more was wasted in comparison with the stipulated norms. It was this very thing--poor coal quality--that reduces the actual significance of the quantity of coal delivered to the factory. The factory requires 2,000 kilowatt-hours in electric power daily. From 10 to 28 September, only 100 kilowatt hours were received each day. Also during September, the factory had to cease production for 2 weeks because of no electricity or coal.

Without flour, how can one make paste? Lacking rubber, coal, electricity and chemicals, how can the factory complete the production plan?

Trying To Find the Reasons

At this time, it may be stated firmly that the Sao Vang Rubber Factory will not complete the production plan for the entire year of 1985. This statement will be incorrect under circumstances in which, from now until the end of the year, for one reason or another, upper echelons of the factory permit this location to readjust and reduce the norms in order to hear a sound of "plan completion."

In searching for the reasons, going back a few years will show the rate and progress of the Sao Vang Rubber Factory. During 1983, the commodity output value reached 312 million dong (old currency). During 1984, it was still 218 million dong. During this year of 1985, the commodity output value plan is 346 million dong. In reality however, the narrative above permits us to estimate that only about 200 million dong will be achieved. In connecting these figures, we have a road going straight down.

Could it be that the market has become clogged with rubber products produced by the factory or that the production rate has gradually declined due to a dislike for the quality of those products? Absolutely not. Bicycle tires and tubes bearing the Sao Vang label are still preferred by the consumer. Other products such as rubber hoses of various types used for water pumps or in industry are in short supply. Although the production of improved vehicle tires is not difficult, there is a great shortage on the market. Many types of automobile tires recently produced by the factory, although still few in number, have resolved some of the difficulties of the state and have affirmed a course of large-scale production in the future. It is also erroneous to state that the abilities, equipment and craftsmanship of the cadres and workers here fail to meet requirements. Some of the equipment is 25 years old and tattered but the factory has constantly supplemented the equipment by itself or received support from the state and therefore, equipment capacity has been sufficient to produce a volume of products much greater than that recorded in the annual plan. A visit to the factory to see the new products will show that the technical standards and craftsmanship of the cadres and workers during the past few years have clearly risen.

It is clear that the reason leading to the plan deficiency this year and the drop in the production rate during the past few years is that supplies and raw materials are not issued to the factory in sufficient quantities or in keeping with the plan both in quantity and in quality. This difficulty cannot be overcome by the factory itself. Worthy of note is that these material plan norms are not set by the basic level unit. They have been approved by the state. Then, why are the agencies responsible for implementing this work not doing so?

It will truly be an adversity if it occurs: while nearly 3,200 cadres and workers at the Sao Vang Rubber Factory are troubled over not completing the plan, where can the coal and rubber sectors and the management sector of the factory--the chemicals sector--set off firecrackers to celebrate completing and surpassing planned levels?

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CSO: 4209/130

HEALTH, EDUCATION, AND WELFARE

VO NGUYEN GIAP, NGUYEN DINH TU SPEAK ON EDUCATION

OW210155 Hanoi Domestic Service in Vietnamese 1100 GMT 19 Nov 85

[Text] Dear friends: This morning, the Ministry of Higher and Vocational Education held a ceremonious meeting in Hanoi to celebrate the 40th anniversary of the founding and growth of the higher and vocational education sector and Vietnamese Teachers' Day, 20 November.

Present at the meeting were comrades Le Quang Dao, secretary of the party Central Committee and director of the Science and Education Department of the party Central Committee; Vo Nguyen Giap, member of the party Central Committee and vice chairman of the Council of Ministers; Nguyen Dinh Tu, member of the party Central Committee and minister of higher and vocational education; Nguyen Thi Binh, member of the party Central Committee and minister of education; Vu Mao, member of the party Central Committee and first secretary of the Ho Chi Minh Communist Youth Union; leaders of central departments and services; representatives of heroic units and labor heroes of the higher and vocational education sector; representatives of vocational education departments in Hanoi and in various provinces and cities; and representatives of teachers and students of colleges and advanced and vocational schools in Hanoi.

Also present were Professor Ta Quang Buu and the retired comrade experts well-known for their achievements in building our higher and vocational educational sector.

The delegates ceremoniously welcomed Soviet Ambassador Chaplin, Lao Ambassador Khampheun Tounalom, Cambodian Ambassador Sieng Saran, and the ambassadors and counsellors of the embassies of other socialist countries.

Comrade Nguyen Dinh Tu read a report, in which he reviewed the higher and vocational education sector's achievements over the past 40 years:

1. Unlike the colonialist-feudalist educational system, which formed henchmen and slaves of imperialism, our national higher and vocational educational system is a unified socialist one.

2. Our educational system has formed a large contingent of scientific, technical, and professional cadres over the past 40 years. They include more than 5,000 cadres with an educational background above college level, 370,000 college-level cadres, and more than 700,000 vocational education cadres for some 230 sectors and professions.
3. Our educational sector has gradually and properly fulfilled its function of scientific research, and has applied scientific and technical advances to production.
4. Our educational sector has effectively assisted in training cadres for Laos and Cambodia, and has enjoyed the assistance and cooperation of fraternal socialist and other countries in training work and scientific research.
5. Our educational sector has made constant efforts and emulated in teaching and learning to meet our revolution's requirements.

Apart from these outstanding achievements, Comrade Nguyen Dinh Tu pointed out shortcomings in our higher and vocational education sector. In general, the quality and effectiveness of the training and fostering of cadres still leave much to be desired. The work capacity of many of those who have graduated from colleges and vocational schools has remained weak, and they have been unable to successfully settle life's scientific and technical issues. The quality of political education and revolutionary ethics and thought have developed poorly. The deployment and employment of graduates have been unsatisfactory. In the face of the new requirements of our national construction and defense, our higher and vocational education sector has displayed aspects inconsistent with our current economic situation.

Comrade Nguyen Dinh Tu stressed that, in future, our higher and vocational education sector must strive to achieve its objectives; perfect the educational system and structure; reform the training content and method; organize the proper performance of experimental work, scientific-technical studies, and productive labor; perfect and develop the contingent of teachers and educational management cadres; and renovate our educational organization and management. According to Comrade Nguyen Dinh Tu, fulfillment of these tasks largely depends on the spirit and efforts of more than 30,000 teachers and educational management cadres of the sector, the nucleus force in educational work which will decide the success of our educational reform.

Speaking at the ceremony, Vice Chairman Vo Nguyen Giau of the Council of Ministers held our higher and vocational education sector's achievements as the pride of our socialist regime. He also highly valued the role of our educational workers and trainers. The noble title of people's teachers or outstanding teachers, bestowed by our state on those who have conspicuously contributed to educating and training our young generation, have once again manifested the viewpoint of our party and state on the great importance of educational and training work, and of the role and responsibility of the contingent of teachers and educational management cadres.

Comrade Vo Nguyen Giao stressed that, on the basis of experience gained over the past 40 years and of the developmental trend of higher and vocational education under the current conditions of our scientific-technical revolution, our higher and vocational education sector should, from now until 2000, effect a strong and steadfast change in raising the quality and effectiveness of our educational system, while expanding the scope of educational and training work in practical forms, to effectively serve our country's socio-economic objectives.

The meeting ended with songs in praise of our people's teachers, manifesting our people's warm sentiments for Uncle Ho and the homeland.

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MATERNITY HOSPITAL PUNISHES POOR FAMILY PLANNING

Hanoi LAO DONG in Vietnamese 17 Oct 85 p 7

['Letters During the Week' column: "Upon What Is This 'Punishment' Based?"]

[Text] Hoang Van Thinh and Nguyen Thi Phung are both workers in the Mai Dong Machine Works. They have three daughters. However, in March of 1985, Phung gave birth to a fourth daughter at B. Maternity Hospital in Hai Ba Trung Ward, Hanoi.

Based on the "family planning" regulations of the plant, we cut the couple's award emulation allotments and have extended the time before they can take promotion exams. Both Thinh and Phung believe that the plant's actions are fitting.

However, before Phung and her small child were discharged (on 9 August 1985), the B. Maternity Hospital in Hai Ba Trung Ward fined her 2,000 dong (in old currency) (not including the other charges) with the reason that she had given birth to her fourth child. If the full 2,000 dong was not paid in full, they would not issue the papers necessary for the small child to be placed in the household registration or to enjoy the standards of the newly born.

Although extremely hard up, Thinh was forced to run about in search of sufficient money to pay the fine in order to bring his wife and child home. The case of Phung is not an individual occurrence. We have had two other women who were fined 500 dong (in old currency) each: one because there was not a full 5-year separation between the birth of her first and her second child; and one for giving birth before the age of 22.

As individuals engaged in work with the masses at the basic level, we would like to know upon what directive the B. Maternity Hospital in Hai Ba Trung Ward bases its authority to "punish" female workers and civil servants for the "crime" of giving birth not precisely in accordance with regulations as stated above.

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HEALTH, EDUCATION, AND WELFARE

BRIEFS

RUSSIAN LANGUAGE EXAMS--The first (?olympic) Russian language exam for the Hanoi area began this morning at the Hanoi University, for colleges not specializing in languages. Attending the opening ceremony were representatives from the Higher and Vocational Education Ministry, the municipal chapter of the Ho Chi Minh Communist Youth Union, the Science and Technology State Commission, the Social Sciences Commission, the Vietnam-USSR Friendship Association, and many Hanoi colleges. Comrade Shevchenko, second secretary of the Soviet Embassy in our country; Comrade Kuznetsov, director of the ("Kostol Institute sector); and many soviet specialists were also present. Taking part in the exam are student groups from the Hanoi polytechnic, university, pharmacy, national economy, military medical, and medical colleges. In the 2-day exam, students are tested in Russian writing, reading, and speaking, and exhibit their knowledge of Lenin's country in his own language. /Text/
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POPULATION, CUSTOMS, AND CULTURE

POPULATION CONTROL MEASURES FAIL TO STEM HANOI'S HOUSING PROBLEM

HK070340 Hong Kong AFP in English 0320 GMT 7 Dec 85

[Article by Laurent Maillard]

[Text] Hanoi, Dec 7 (AFP)--Measures to cut Hanoi's high birth rate have failed to stem housing problems, water shortages and other signs of overpopulation worrying authorities in this sprawling capital.

The rapid and steady rise in the population of Hanoi, which has climbed from 380,000 residents in 1954 to nearly 2.8 million thirty years later, has triggered a housing problem which has reached a "critical" point, according to the HANOI MOI daily.

Things are particularly bad in the heart of the city where residents have an average of just four square meters (4.8 sq yards) in which to live, the newspaper said.

These reports come despite strict measures announced by the Hanoi City Council in October and designed to limit the number of children per family to one or two.

Certain social privileges and housing allocations in particular have been linked to the birth control policy, aimed at lowering the current birth rate of some 2.3-2.7 per cent.

The authorities have said this rate is too high, and it "hampers the realization of the government's socio-economic goals," according to a recent Communist Party directive.

Hanoi's housing problem is evident throughout the city, where small houses dating back to the French colonial era are occupied by dozens of families, who are often limited to just one room each.

The traditional huge wooden bed in a flat hardly leaves space for a chest or a cupboard and once the whole family's bicycles have been brought in for the night, it becomes impossible to move.

On summer nights many Hanoi families overspill into the street to sleep.

The situation is better but still hardly spacious on Hanoi's outskirts. There, a cadre and his family might inhabit 40 square metres (48 sq yards) but ordinary citizens will have to make do with 12 to 15 square metres (14.4-18 sq yards) plus a small kitchen.

Those on the ground floor are best off--they can enlarge their quarters by building a lean-to outside, linked to the flat proper by a hole in the wall.

First floor neighbours can occasionally reap the rewards of the ground-floor folks' ingenuity by adding an extra storey to this but the authorities usually stop them for safety reasons. Spontaneous construction is banned but ubiquitous.

Overcrowding adds strain to the city's public services too--the water supply system is overstretched and there are shortages in summer. HANOI MOI recently said there were no more state shops now than there were 20 years ago, although they serve seven times as many people.

According to a recent press survey, public transport meets only 10 per cent of Hanoi residents' needs. The bicycle remains an indispensable vehicle.

Hanoi's population is still growing by 70,000 people a year, HANOI MOI said. This means that each year authorities have to find an extra 3,000 tons of rice, build 135,000 square metres (162,000 sq yards) of housing and 1,500 creches, train 10,000 nursery nurses and find 350 classrooms.

"If the current growth rate continues," HANOI MOI said, "It will be hard to maintain present living standards," already among the world's lowest.

The newspaper said that an urgent boost to the capital's family planning programme was needed.

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